

ORGANISATIONAL CHANGE

How changes in the way services are delivered will affect posts and employees' careers.

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The Council's Commitment

The skills and experience of employees are highly valued by Luton Borough Council, and the Council is committed to retaining employees who are motivated, committed and loyal to the organisation. However, everyone associated with the Council has to face some new challenges and this will result in changes to the way we work and the way services are delivered. The Council has to adapt, restructure and become increasingly efficient in order to provide excellent services to the community it serves. The Council will therefore through its internal processes, seek to minimise employee disruption and retain as many employees as it can, through careful planning, redeployment and training, should the need arise to delete posts, and or change posts, as part of this process.

The Council has introduced Luton Excellence. At the heart of the programme is the modernisation of the Council to provide excellent and efficient services to the community. By ensuring that we provide quality services, the Council needs to develop its workforce and through organisational change, and this will inevitably affect employees. The organisational change policy will manage this process, by maintaining our commitment to existing employees through redeployment and retraining opportunities while at the same time recognising that the Council may need to enlist new skills and competencies.

Managers will be expected to be flexible and respond positively to employees being redeployed. They will ensure that employees will be supported and trained to enable them to undertake new roles effectively and be able to continue to positively contribute to the Council and services to the community.

Employees will be treated with respect at all times whilst undergoing any period of change and will be assured that any positive contribution they have made to the Council will be recognised and their services retained wherever possible. The Council will take steps to avoid compulsory redundancies and will seek to provide employees whose posts no longer form part of the HR Plan with suitable alternatives, such as alternative employment or job redesign, redeployment etc. Therefore, it is the council's intention that compulsory redundancies will only take place in exceptional circumstances. Any such reductions will be handled in the most sympathetic manner possible and in accordance with the procedures below.

Every attempt will be made to redeploy those employees who are affected by organisational change to a post of the same grade. To maximise redeployment opportunities employees will also be matched to posts of no more than two grades lower than the substantive grade and as a last resort, employees with good work record, (i.e. no disciplinary, capability and/or sickness issues,) could be matched to a post up to two grades higher than their substantive posts. Employees will be expected to assist the Council with this process and be actively engaged with the redeployment process and be open minded about redeployment opportunities.

Furthermore, the Partnership Agreement with the recognised Trade Unions confirms that

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they will work with the Council to ensure compulsory redundancies will only take effect as a last resort.

Head of Human Resources

1. Policy statement

This policy should be read in conjunction with other relevant Council policies such as the Redeployment Policy, the Local Grievance Procedure etc.

2. Scope

This policy covers all Council employees affected by organisational change. This can be because their post has changed, been deleted, involves changing working practices or the service is going to be delivered in a different way or by a different provider.

This policy does not apply to employees on JNC terms and conditions for Chief Officers.

The policy does not cover employees employed in schools with delegated budgets. For employees on Council employment contracts *and* on Teachers' Conditions of Service, this policy will be applied, except where overridden by the rights of teachers under Teachers' Pay and Conditions

3. Structural Change

At the outset, managers must define clearly the employees and locations affected and determine the proposed structural change. In large-scale structural changes, managers should be aware that parts of the overall change might require one or more of the processes outlined below.

Before commencing any process, it is the manager's responsibility to read carefully both the contents of this policy and the Council's Redeployment Policy and ensure that they are fully aware of their responsibilities to any "displaced" employees, and that the actions and processes that they follow are lawful, equitable and transparent.

This policy is written in a checklist format to enable managers and employees to work through the processes required in a logical and open manner.

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4. The types of structural change are as follows: -

4.1 Reorganisation - Reduction of posts and changed job descriptions

There are fewer posts in the proposed structure overall or at a particular level. Some/all of the new posts have different job descriptions compared to the old posts. (See Page 6)

4.2 Reduction of posts and same/similar job descriptions

There are fewer posts than there are people in the proposed structure. All of the new posts have the same/similar job descriptions compared to the old posts. (See page 10)

4.3 Variation to terms and conditions of employment

There is an economic, technical or organisational reason to vary the terms and conditions of employment and/or Job Descriptions, e.g. change in hours of work. (See Page 13)

4.4 TUPE Transfers

The process required to preserve the continuity of employment and terms and conditions of those employees who are transferred to a new employer. This includes services and employees who are transferred to or from the Council. (See page 16)

The following processes describe typical examples of the types of action to be taken. The order of events and processes may vary dependant on the circumstances.

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4.1 Organisational Change Process – Reorganisation.**Reduction in Posts and changed Job Descriptions**

1. Proposal to restructure
2. Management prepare an employee brief outlining the reasons for the proposed changes and the process
3. Management commence informal consultation with employees and trade unions as appropriate
4. Management amend the brief as a result of consultation
5. Where proposal affects 20 or more employees, issue a section 188 notice and commence formal consultation with the trade unions for the required period
6. If 20 or more employees are to be made redundant, send HR1 to the Department for Business, Enterprise and Regulatory Reform
7. Management and stakeholders agree an Equalities Impact Assessment
8. Where a change in structure is proposed, Management may need to report to the Executive seeking approval
9. Following Executive decision (if appropriate) the outcome is either
 - Executive reject the proposed change in which case there will be no further action or
 - Executive approve the change to service delivery and Management decide on timescale for implementation (include timetables for statutory dismissals meetings as appropriate)
10. Management prepare new Job Descriptions and Person Specs
11. Management notify the Redeployment Officer of the forthcoming situation.
12. Management hold one-to-one meetings with affected employees (**pre-redeployment stage**) and give information on how employees will be appointed to posts in the new structure
13. Management review the outcome of formal consultation
 - If there is detriment to employees, prepare a report for Administration Committee seeking the creation/deletion of posts and/or variation of terms and conditions of employment as appropriate

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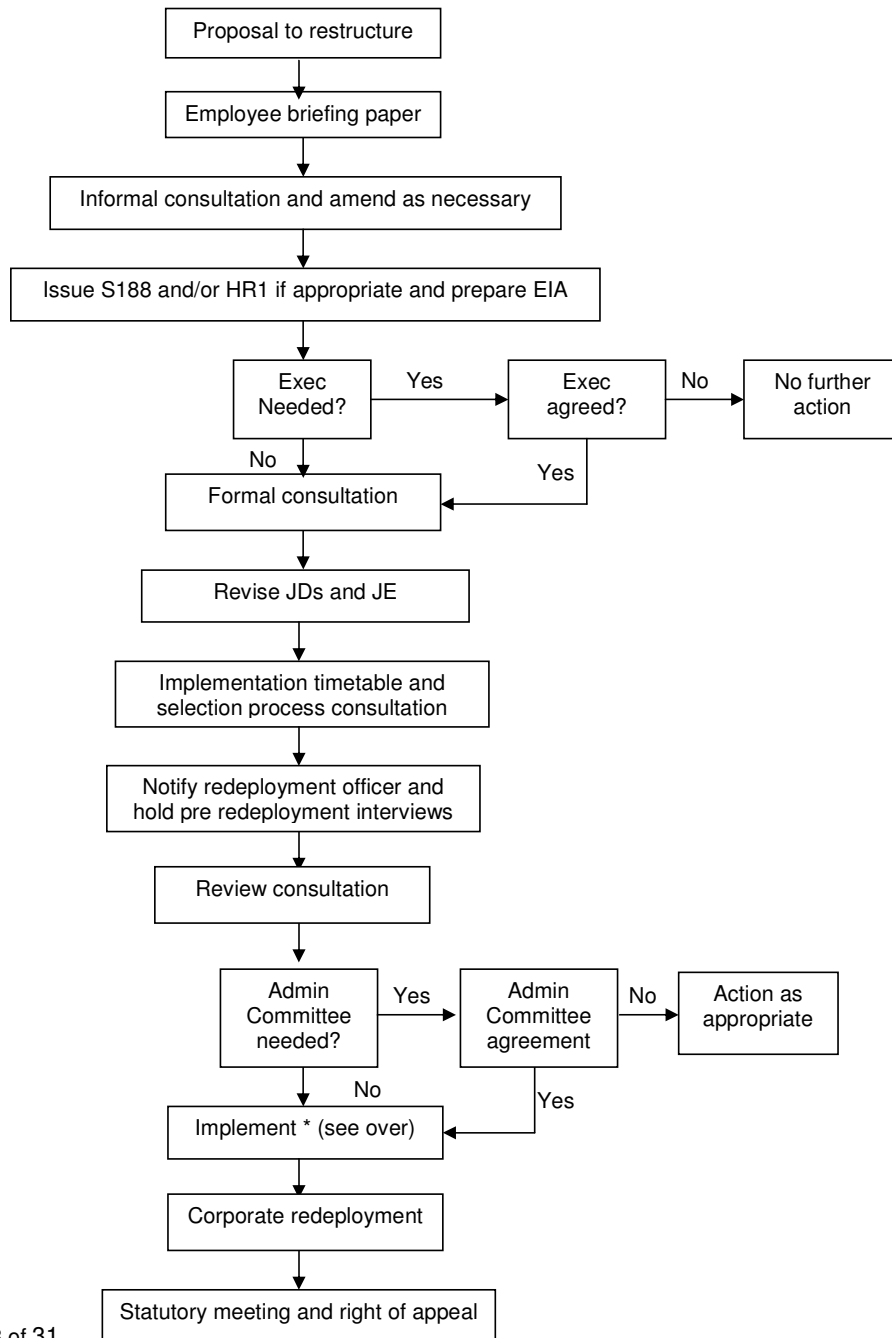
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- If there is no detriment to employees, then begin implementation
14. Management Implement Administration Committee resolution
 15. Management produce detailed implementation plan (include pay protection elements and a cost benefit analysis which will include the timescale of the change process affecting individuals)
 - Slotting-in = 1 person for each post (no trial period)
 - Job-matching (see Definitions page) = 70% match and same grade (with trial period)
 - Ring-fencing = internal recruitment process for equivalent employees (with trial period.)
 - Training (see definitions)
 16. **Commence corporate redeployment** process for employees who have not secured a post via implementation plan. For redeployment into posts working with vulnerable adults or children, see page 19 section 2.
 17. Consider higher grade corporate redeployment (internal recruitment and trial period)
 18. Consider voluntary severance where appropriate (see definitions page 25)
 19. Management obtains severance and pension figures
 20. Management conduct statutory dismissals procedure (see page 27) for all employees leaving employment where less than 20 employees are affected
 21. Follow appeals procedure where required (see appendix 1)

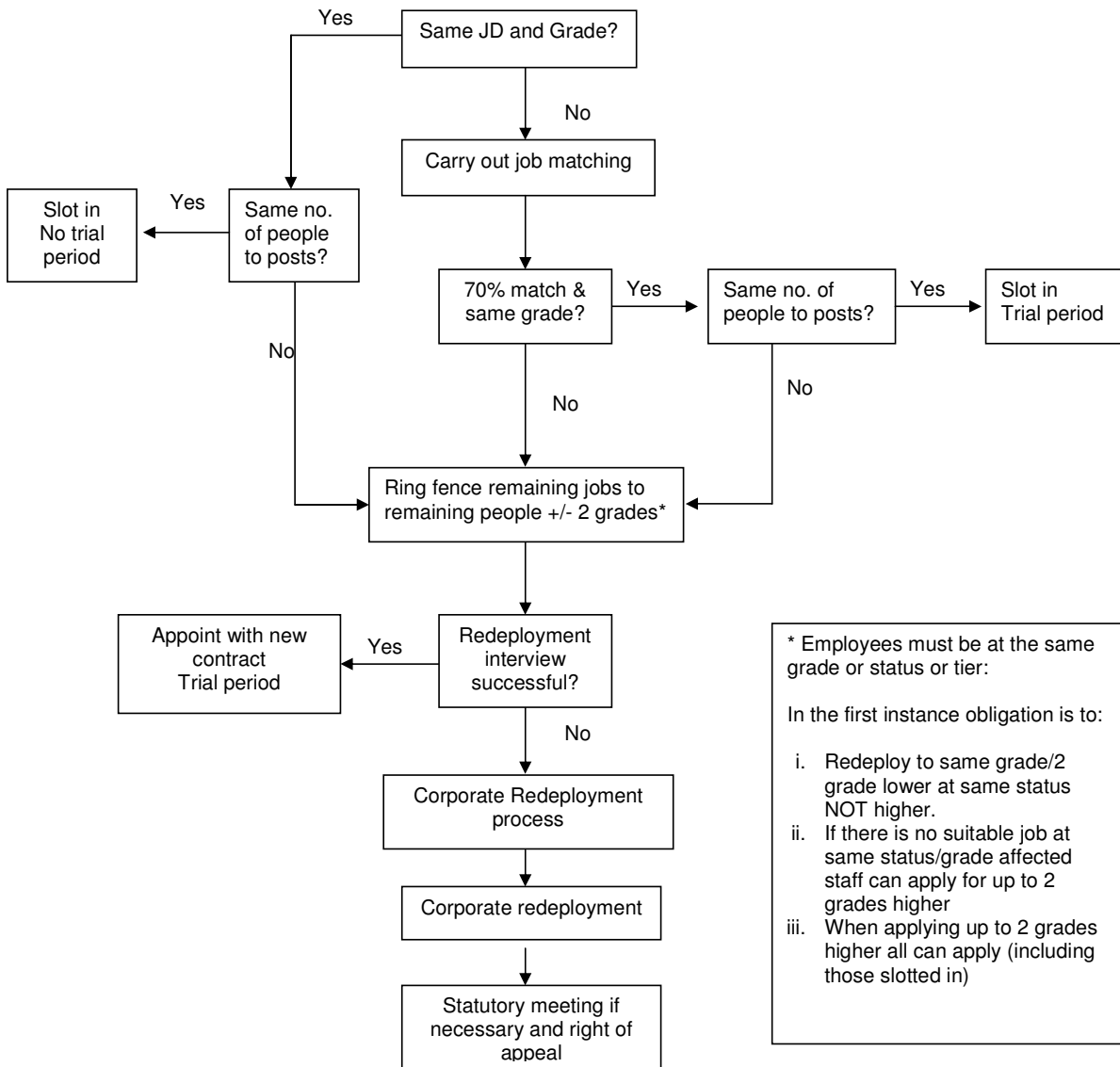
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Reorganisation - Reduction in Posts and changed Job Descriptions.



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Implementation



* Employees must be at the same grade or status or tier:
 In the first instance obligation is to:

- i. Redeploy to same grade/2 grade lower at same status NOT higher.
- ii. If there is no suitable job at same status/grade affected staff can apply for up to 2 grades higher
- iii. When applying up to 2 grades higher all can apply (including those slotted in)

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4.2 Organisational Change Process – Downsizing

Reduction in Posts and same/similar Job Descriptions

1. Proposal taken to downsize (reduce the number of posts)
2. Management prepare an employee brief outlining the reasons for the proposed reduction and the process
3. Management commence informal consultation with employees and trade unions as appropriate
4. Management amend the brief as a result of consultation
5. Where it is proposed that 20 or more employees will be made redundant, issue a section 188 notice and begin formal consultation with the trade unions
6. HR1 is sent to the Department for Business, Enterprise and Regulatory Reform for over 20 or more employees
7. Management review Job Descriptions and Person Specifications
8. Management and stakeholders agree an Equalities Impact Assessment
9. Where a change in structure is proposed, Management may need to report to the Executive seeking approval.
10. Following Executive decision the outcome is either
 - Executive reject the proposed change in which case there will be no further action or
 - Executive approve the change to service delivery and Management decide on timescale for implementation (include timetables for statutory dismissals meetings as appropriate)
11. Management notify the Redeployment Officer of the forthcoming situation.
12. Management hold one-to-one meetings with affected employees (**pre-redeployment stage**) and give information on how employees will be appointed to posts in the new structure
13. Management review the outcome of formal consultation
 - If there is detriment to employees, prepare a report for Administration Committee seeking the creation/deletion of posts and/or variation of terms as appropriate
 - If there is no detriment to employees, then begin implementation

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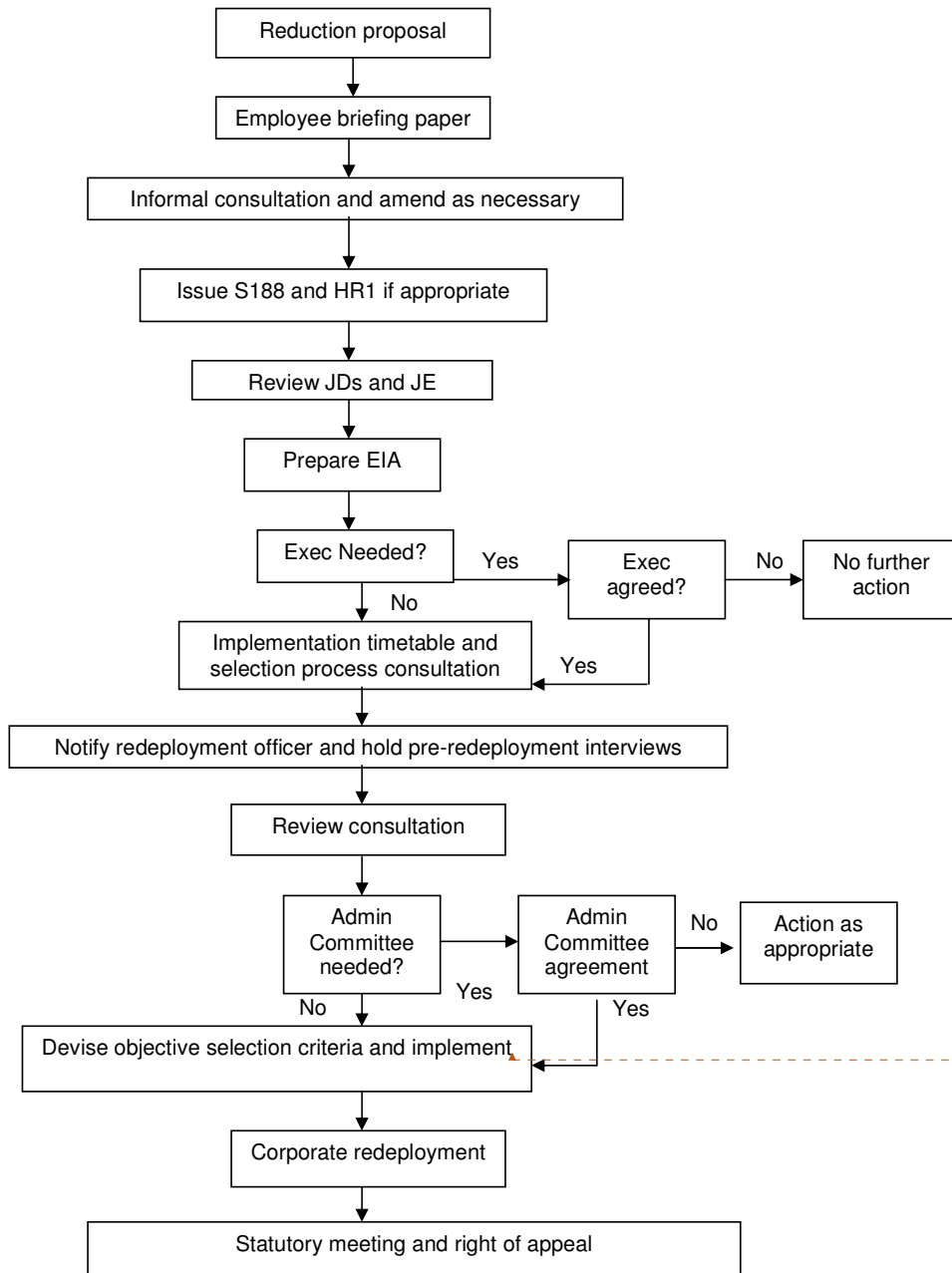
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14. Management Implement Administration Committee resolution.
15. Management produce a detailed implementation plan including devising objective criteria to determine how employees will fill posts and a cost benefit analysis which will include the timescale of the change process affecting individuals). This should be discussed and where possible agreed with the trade unions.
16. Commence corporate redeployment for employees who have not secured a post via implementation plan. For redeployment into posts working with vulnerable adults or children, see page 19 section 2.
17. Consider higher grade corporate redeployment (internal recruitment and trial period)
18. Consider voluntary severance where appropriate (see definitions page 25)
19. Management obtains severance and pension figures
20. Management conduct statutory dismissals procedure (see page 27) for all employees leaving employment where less than 20 employees are affected.
21. Follow appeals procedure where required (see appendix 1)

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4.3 Reduction in Posts and same/similar Job Descriptions



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4.3 Organisational Change Process**Variation to terms and conditions of employment**

1. Establish the need for the proposed change (Economic, Technical or Organisational.)
2. Decide what changes are required to meet the economic, technical or organisational requirements
3. Compile a briefing note setting out what the proposal is and the reasons for it
4. Agree length of consultation period with the trade unions
5. Call a meeting of employees and trade unions and consult on the new proposals. Ensure those who are absent e.g. sick, on maternity leave etc receive notes of the meeting and are included in the consultation exercise
6. Provide relevant financial information if necessary
7. Explain the reasons for the proposed changes e.g. how changes will improve efficiency
8. Consider any employee/trade union suggestions arising from the consultation
9. Try to persuade reluctant employees of the benefits of the proposed changes but do not place anyone under pressure to agree them
10. Try to seek agreement. Consider arranging individual meetings with employees
11. If agreement cannot be reached – consider carefully whether the proposed change should go ahead or if it can be modified
12. If agreement is reached issue a new contract to confirm this
13. Consider whether a section 188 notice needs to be issued (see page 20)
14. If no agreement is reached arrange a meeting in accordance with the Statutory Dismissals Procedure (see page 27), and then if appropriate issue notice of the termination of the existing contract
15. Present employee with a written offer of a new contract, JD and statement stating when the new contract would start and for how long the offer of this contract is available.
16. If there is no acceptance of the new contract the employee has a right of appeal in accordance with Appendix 1 of this policy

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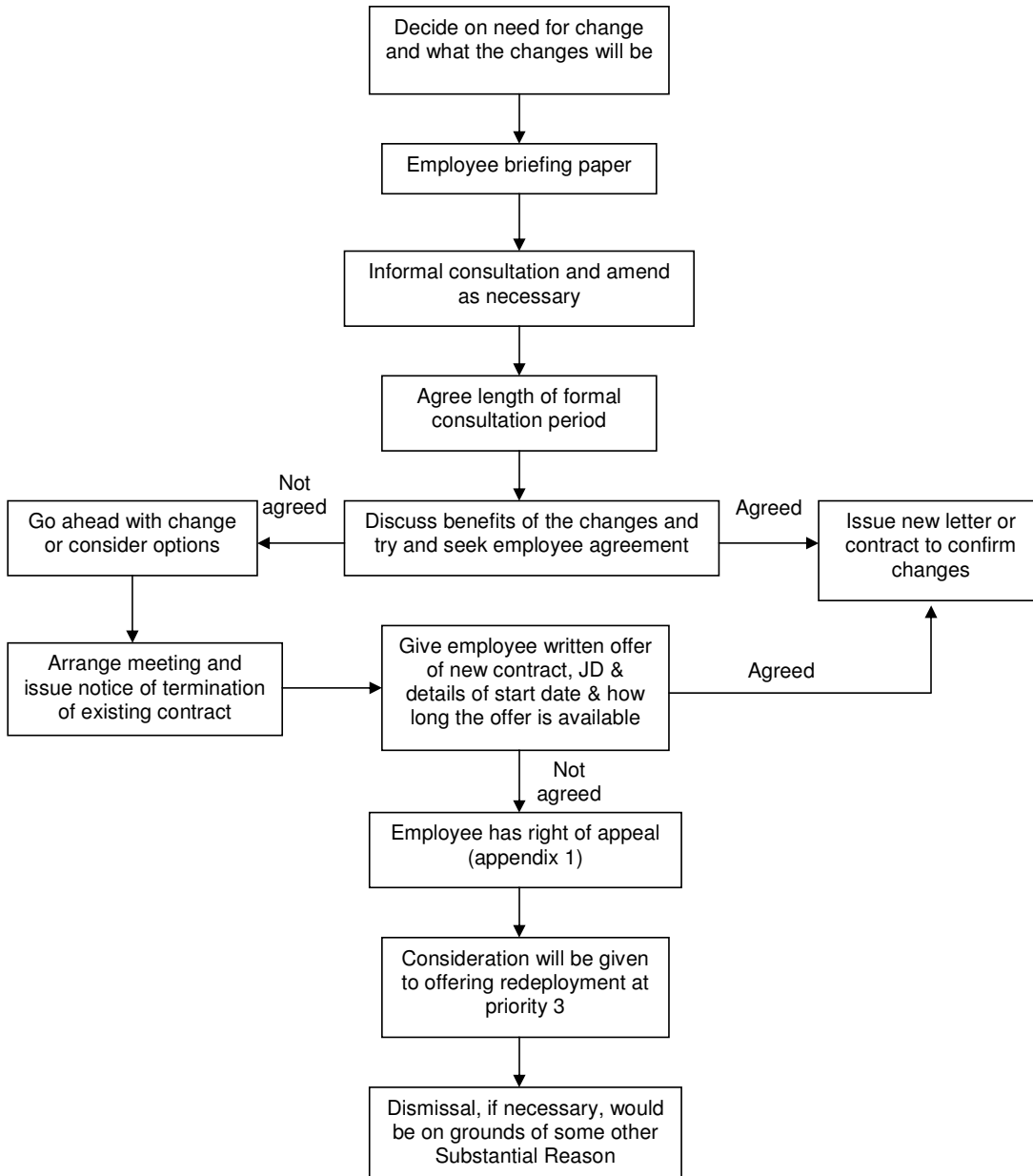
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17. If the employee does not wish to accept the variation to the contract, consideration will be given to offering redeployment in accordance with the redeployment policy at priority 3.
18. Dismissal if necessary would be on the grounds of Some Other Substantial Reason

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Variation to terms and conditions of employment



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4.4 Organisational Change Process – TUPE Transfer

1. Consider whether TUPE will apply when a decision is taken to either transfer part of a business to a new employer or where a “service provision change” is planned (e.g. where a contractor takes on a contract to provide a service for a client from another contractor).
2. Seek advice from the departmental HR Unit at the earliest opportunity as to whether TUPE applies or not
3. Ensure that the proposed new employer is aware of the “Best Value Code of Practice on Workforce Matters and Best Value Performance Improvement Circular (03/2003)” and its implications. (I.e. Two-Tiered Workforce) available from Communities and Local Government Department.
4. Ensure the proposed new employer can offer a pension scheme in accordance with the legislation. Advice on this can be obtained from the Exchequer Services Manager.
5. If TUPE applies consider who would transfer (employees assigned to the undertaking or the part being transferred etc.)
6. Employees who are “assigned” (i.e. on the transfer list) can object to being transferred in which case he/she will not transfer and his/she employment with LBC will be terminated but h/she will not be able to claim that he/she has been dismissed by LBC]
7. An employee cannot raise a grievance about being transferred but if the transfer involves a substantial change in working conditions to their material detriment they may raise a grievance with the Corporate Director.
8. Recognised trade unions must be consulted at the earliest opportunity on:
 - When and why the transfer is taking place
 - The implications for affected employees
 - Any action being taken by Luton Borough Council which will affect employees
9. Consultation to take place through the formal mechanisms e.g. JNCC, LJNCC & CJNCC. (There is a financial penalty for failure to consult.)
10. Employees requiring pensions advice must be referred to the Exchequer Services Manager.
11. There is an obligation to provide information to the proposed new employer on

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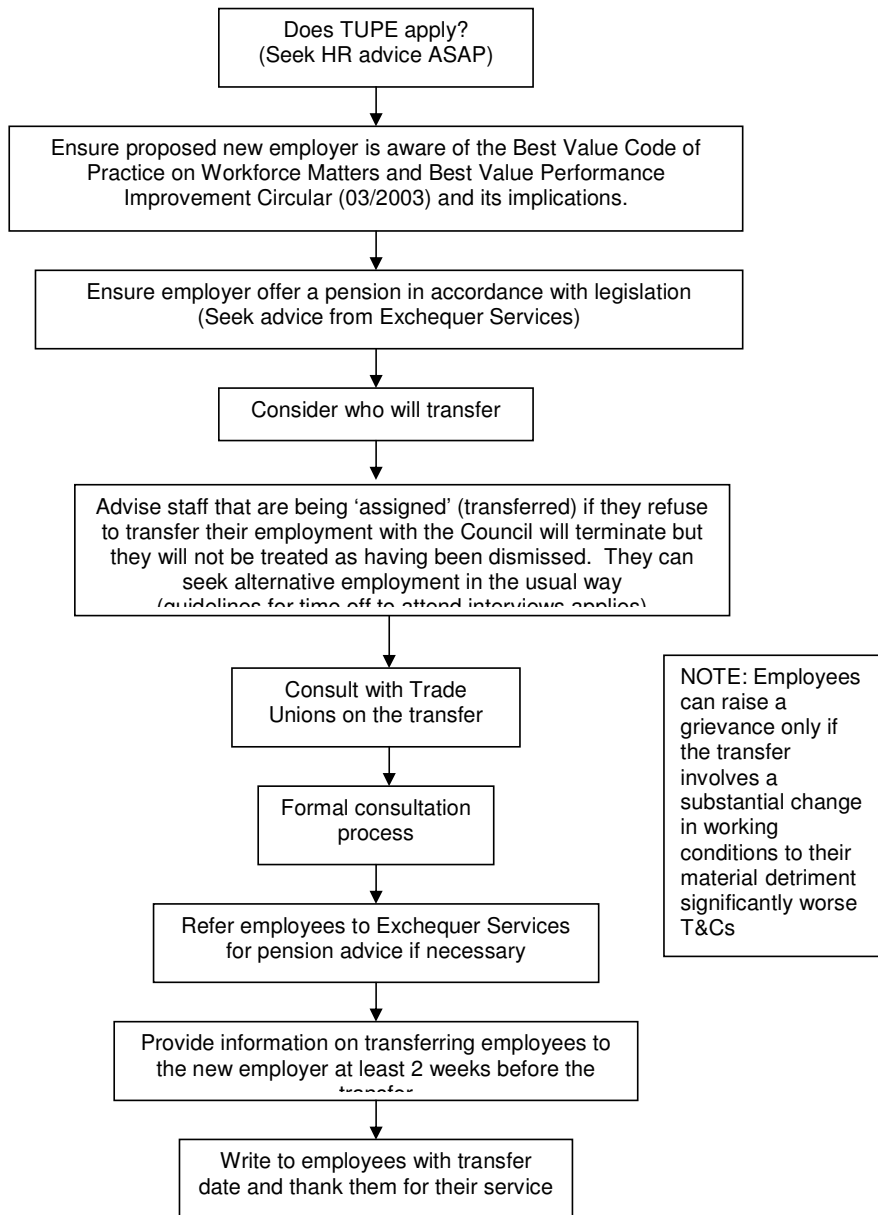
employees but their data protection rights must be preserved. The following information should be provided:

- Names of employees to be transferred
- Date of birth
- Information on the statements of written particulars
- Details of any collective agreements that apply
- Information on disciplinary action/grievances in the last 2 years
- Instances of any legal action in the past two years and on any potential legal action
- Details of any changes of information that may occur up to the completion of the transfer
- This information needs to be provided at least 2 weeks before the transfer

12. Write to the employee(s) confirming the date of transfer and thanking them for their service.

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Organisational Change Process – TUPE Transfer



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Definitions and Further Information

1. Slotting-in

Where the post in the new structure is the same as the existing substantive post and there is only one employee affected, the employee will slot in. There is no need for an interview or clearances. If there is a job match and there are the same numbers of employees as posts in the new structure, slotting in will occur as above. [(NB slotting in will not occur to lower graded posts unless the employee requests and agrees to it.)

2. Job Matching

Where the new job includes 70% of the duties of the old job (based on an assessment of the substantive and new Job Descriptions) and is of the same grade, then this is a job match. A suitably qualified and experienced person/team will carry out the process for job matching. For major reorganisation, the Council's redeployment panel will be reconvened and chaired by the Head of HR and representatives from each department. Affected employees who meet the critical criteria of the person specification will be matched to vacant posts.

All Corporate Directors have a duty to advise the Council about the delivery of services and to ensure that staff delivering services meet statutory and other professional standards. In that regard, departmental HR representatives on the redeployment panel are accountable to their Corporate Director and will ensure during the matching process that re-deployees meet or can be trained, within a realistic time scale. That timescale will be dependent upon the nature of the post and the qualification and skills training involved, to meet relevant professional standards and comply with the same statutory checks as new employees must when first appointed to work for Luton Borough Council, in accordance with the Council's recruitment policy and procedure.

The decisions taken by the redeployment panel in recommending redeployment and training for affected employees will be recorded and available to Corporate Directors and the Administration Committee will receive a six monthly report to monitor the operation of this policy. In any case which a Corporate Director has concerns regarding a redeployment those concerns will be reported to the Chief Executive (head of paid service). The Chief Executive will make a final decision in any such case. Those cases will be exceptional and the Chief Executive will include details within the report to Administration Committee. Further, an explanation will be given to the individual employee and the trade unions (when appropriate) about the outcome of that decision affecting them.

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The main terms and conditions should also be similar, unless the employee and management agree a variation.

3. Ring fencing

If there are more employees than posts in the new structure, or where jobs are not suitable for slotting in, the remaining posts will be 'ring-fenced' to employees that have yet to secure a post. These employees will complete a Redeployment Application Form, and go through a simplified internal recruitment procedure.

The Council's obligation is to secure posts for employees at their substantive grades and status wherever possible. Only where this is not possible will other options come into play. The typical process will be:

- All remaining posts not filled by slotting-in will be ring-fenced to remaining employees regardless of any percentage match
- Employees can apply for any remaining post in the structure providing it is no more than two grades up or two below the substantive post.
- The Council will only consider applications for higher graded posts where there is not a suitable* post at the same grade/status/tier

Where there are not suitable posts, and employees are allowed to apply for higher graded posts, this will be opened up to all affected employees including those already "slotted in".

*The Council will determine whether or not a post is suitable.

The Human Resources Team responsible will confirm all ring-fencing arrangements.

Any appointment to a post two grades higher than the substantive post is subject to at least a 9-month development period as outlined at paragraph 10, page 22.

4. Skills matching

Where the new job includes 70% of the principal responsibilities of the old job and is up to either two grades higher or two grades lower this is a skills match for the purposes of redeployment. A suitably qualified and experienced person/team will carry out the process for skills matching.

5. Consultation

It is important that consultation occurs with both employees and recognised trade unions as part of any post deletion process.

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This consultation must be “meaningful.” Its purpose is to consult about ways of

- a) Avoiding dismissals
- b) Reducing the numbers of employees to be dismissed, and
- c) Mitigating the consequences of redundancies.

A section 188 notice is required where it is proposed to dismiss as redundant 20 or more employees at one establishment over a period of 90 days or less, It must be sent in writing to the appropriate recognised trade union representative. It must include information on: -

- a) The reason for the proposal
- b) The numbers and descriptions of affected employees who could have their post deleted
- c) The total numbers of employees (employed by the employer) at the establishment
- d) The proposed method of selection
- e) The procedure to be followed and the timescales
- f) The proposed method of calculating severance payments

The Department for Business, Enterprise and Regulatory Reform requires a HR1, where it is proposed to make redundant: -

- a) 100 or more employees at one establishment within 90 days, or
- b) 20 or more employees at one establishment within 30 days.

A copy of this notification has to be given to the recognised trade union.

6. Suitable alternative redeployment

In considering whether a post constitutes “ Suitable alternative redeployment”, the following factors will be relevant: -

- a) Status – i.e. not too great a diminution or increase in authority
- b) Job content
- c) Working environment is similar
- d) Similar pay – (to include regular overtime and bonuses)
- e) Location
- f) Similar contractual hours of work.
- g) Similar times at which hours are worked (shifts etc)

Where possible, temporary posts will be offered on a short-term basis while the redeployment search continues.

Each redeployment vacancy will be considered against employees on an individual basis using tests of reasonableness to assess their suitability. Where a job is similar to the original post, then the Council will expect the employee to engage actively and positively in the redeployment process.

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7. Rejection of Suitable Alternative Employment

If the post matched is suitable in terms of status, content, terms and conditions, this will be deemed to be suitable alternative employment. An employee, who unreasonably rejects the offer of a post deemed by the Council to be suitable alternative employment, would lose any right to a redundancy payment.

8. Pre Redeployment Status

Employees who have concerns over their future employment prospects with the Council can consult their line manager or departmental HR Unit regarding the feasibility of being considered for redeployment opportunities before the occurrence of the formal stage of the process. If this is agreed they will be matched for vacancies in accordance with paragraphs 2 and 3 of the Redeployment Policy. However, wherever possible every attempt will be made to match employees to vacancies within their existing service in the first instance.

9. Corporate Redeployment Status

Anyone who has not secured a post, following the conclusion of the departmental processes, will be put forward for redeployment. Their details will be included on the Corporate Redeployment List, if they are not already included on the list (grade to grade/lower grade, from earlier in the process). At this point, if they have not already done so, employees on the Corporate Redeployment List will be asked to complete a Tailored Application Form with their line manager. This will be used to skills match them for redeployment purposes, against current vacancies within the Council, up to 2 grades above or below their current substantive grade (i.e. not including any contractual allowances).

Skills matching involves assessing an individual's skills/abilities, knowledge and qualifications as described in their personal profile, against the critical criteria of each redeployment vacancy.

Employees can also apply for any vacancies within the Council, against which they have not been matched for redeployment purposes.

10. Redeployment to posts at a higher grade

- 10.1 In an organisational redeployment situation the Council will take all reasonable steps, in the first instance, to redeploy staff into suitable alternative positions at their substantive contractual grade or within 2 grades below their substantive grade. However, the Council also recognises that some employees may be able to be skills matched into posts of a higher grade (i.e. not more than two grades higher from the

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substantive post). In such circumstances, the employee will not immediately receive the salary of the higher graded post – paragraphs 10.4 and 10.6 below refer.

- 10.2 The consideration of redeployees for higher graded posts will only occur in exceptional circumstances, or once employees have been issued with formal notice of post deletion. Managers should seek guidance from their HR section on 'exceptional circumstances'. In such circumstances, the higher graded post will be "ring fenced" to all employees in that work group (within the range of two grades up or down from their substantive post).
- 10.3 The employee will need to meet all the critical criteria of the higher graded post.
- 10.4 The employee will be placed in the higher graded post initially on their previous substantive salary for a statutory trial period of 4 weeks. This period will be used to undertake an initial assessment of the employee's skills and abilities. Where the employee demonstrates the skills and abilities to continue in the post long term, a development plan will be devised.
- 10.5 Where the employee appears to lack essential skills and abilities, the trial period will cease and further efforts at redeployment will continue, in accordance with this policy, until the end of the notice period.
- 10.6 After a successful four-week trial, the employee will be placed in the post on a personal grade for a nine-month development period. Managers should refer to their HR section for guidance on pay point assimilation, following the trial period. During the nine-month development period, the employee will be assessed regularly in line with the development plan. The employee will need to demonstrate competency across all essential criteria within this nine-month period.
- 10.7 After a successful nine-month development period, the employee will normally be assimilated into the post at the base point of its evaluated grade. However, Managers should refer to their HR section for guidance.
- 10.8 During the nine-month development period, the employing department is precluded from raising the employee's salary by way of honorarium payments or by any other artificial means.
- 10.9 If it is clear that an employee is not achieving satisfactory levels of performance after 6 – 7 months of the development period, their Manager should apply the Council's Capability Procedure.
- 10.10 If at the end of the nine-month development period, the employee has failed to reach a satisfactory level of competency in all essential criteria, the employee will remain in post on the personal grade, until the level of competency is achieved. Managers

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should continue to apply the Council's Capability Procedure.

[10.12 Where a sickness, or capability or procedure has commenced, or where employees have been subject to a disciplinary sanction, such employees will not be permitted to apply for higher graded posts.

11. Trial Periods and Notice

Employees redeployed into posts will have the statutory 4-week trial period.

To protect employees rights and to ensure that they maintain their statutory right to a trial period and right of appeal, the affected employee will be issued with notice of termination of their existing contract. This process will not prejudice any new offer of a revised employment contract.

12. Pay Protection.

12.1 The criteria for pay protection are as follows: -

- a) On the date of leaving the original post, the employee has two years continuous service in Local Government.
- b) An employee applying for lower graded posts will only be entitled to two grades' pay protection calculation.
- c) If an employee moves to a post of slightly less hours, he/she will receive pay protection based upon the actual contractual pay applicable to the post the employee is vacating.
- d) If the contractual hours are reduced by more than 20%, protection will only apply at the 20% rate.
- e) If an employee is redeployed to a post of more hours, he/she will only receive pay protection if the actual contractual pay or hourly rate for the new post is less than that of the post the employee is vacating.
- f) Pay protection is only applied to gross pay (including contractual overtime)
- g) If an employee moves to a post with different terms and conditions, which amounts to a higher, actual gross salary then he/she will not be entitled to pay protection.

12.2. If an employee meets the above criteria, the following arrangements will apply: -

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- a) Pay protection comprises the difference between the actual average gross contractual earnings of the previous post over a standard typical 13-week period and those of the new post.
 - b) Protected pay is for a period of nine months in full and for a further nine months protection of 50% of the difference.
 - c) Payment is on a monthly basis.
 - d) If an honorarium payment occurs during the pay protection period, then pay protection will change to take account of this extra payment.
 - e) If management increases the hours in the new post, then the amount of pay protection will not be affected.
 - f) If the employee chooses to increase their hours, the pay protection will be adjusted accordingly.
 - g) During the first 9 months of the pay protection period employees can be asked to perform duties in line with their previous grade/hours.
 - h) If the employee is a member of the Local Government Pension Scheme (LGPS), and is within thirteen years of normal retirement (age 65), they may be entitled to receive a 'Certificate of Protection of Remuneration' to ensure their pension provision is not disadvantaged.
 - i) The cost centre of the employee's original vacated post pays for the pay protection.
- 12.3. In addition to the protection of pay as outlined above, the Council will offer protection of conditions of service as follows: -
- a) Essential user car allowance lump sum is protected nine months full protection and nine months 50% protection.
 - b) Lease car arrangements cease once the lease car contract expires at the end of the three years (or any extension).
 - c) Additional travelling expenses to reach their new work location will be offered based on nine months full and nine months half rate, based on actual public transport costs. If there is no public transport comparison, then the appropriate mileage rate will be paid.
 - d) Protection of leave entitlement will only apply to the existing leave year.

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- e) If an employee, when taking up his/her redeployment position, has to give up a Council tenancy they are entitled to an LBC secure tenancy under the following conditions: -

If they are redeployed to a non-residential post and have completed 7 years service in their residential post

OR

Were redeployed as a result of an ill health referral

13. Voluntary severance

The Council is not obliged to offer voluntary severance. In situations where the Council wishes to avoid compulsory redundancies, expressions of interest in voluntary severance may be sought.

The Corporate Director, HR Manager and Head of Finance will determine when and if to seek volunteers for severance and within what timescale.

The Council is not obliged to accept any requests for voluntary redundancy.

Redundancy occurs when:

- a) An employer "has ceased or intends to cease, to carry on the business for the purposes for which the employee was employed"; or
- b) An employer "has ceased or intends to cease to carry on that business in the place where the employee was employed"; or
- c) "The fact that the requirements of that business for employees to carry out work of a particular kind, or from them to carry out that work in the place where they were so employed, have ceased or diminished or are expected to cease or diminish."

All the normal efforts to secure suitable alternative employment will continue until voluntary severance is agreed.

14. Cost Benefit Analysis

Where there are applications for voluntary severance that the department wishes to progress, or where it does not appear possible to find redeployment for an employee the departmental HR Manager must produce a written statement detailing the advantages and disadvantages (including full financial details) to the department of either agreeing voluntary severance, issuing a compulsory redundancy notice and/or creating a short term supernumerary post with the aim of securing redeployment in the near future.

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The Head of Human Resources and the Head of Finance will discuss this written statement with the departmental HR Manager before reaching a final decision.

15. Calculation of severance payments and pension entitlement

An employee with two years' continuous service who is made redundant is entitled to a statutory redundancy payment.

For local government employees, continuous service is with this authority, other local authorities and other similar bodies, listed in the Modification Order. Relevant continuous service also includes service accrued as a Work Based Learning apprentice.

The Council can also make a discretionary compensation payment; and this is subject to amendment by the Council from time to time.

The Council's current compensation payment is 1.5 weeks pay for every full year of continuous local government service, subject to having two years continuous service, up to a maximum of 104 weeks redundancy pay.

One week's pay is calculated based on an average of the last 12 weeks pay before the date of leaving **or** an alternative period that is more representative of an average week's pay.

The calculation is identical for voluntary and compulsory redundancy.

A week's pay is calculated on an employee's contractual pay (including contractual enhancements) but excluding any Recruitment and Retention Allowance.

The first £30,000 of any redundancy payment is tax-free. Thereafter, the surplus is taxed in the usual way.

In addition, the Local Government Pension Scheme (LGPS) pays benefits in certain circumstances. The employee must currently be: -

- A LGPS member;
- Aged 50 or more;
- Made redundant and;
- Have 3 or more months membership in the LGPS

Such employees are entitled to a redundancy payment, calculated as set out above, and are also entitled to immediate access to their Local Government Pension Scheme retirement benefits.

* The rules relating to LGPS are subject to change and the rules at the time of dismissal will

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apply.

Any debts to the Council, incurred by an employee, will be deducted by the Council from their redundancy payment.

16. Training

Redeployees, who meet all of a post's critical criteria, will be entitled to reasonable training. The Human Resource Service's Development Unit or appropriate Personnel/Training Unit can also assist management in the provision of necessary and suitable training if requested.

Advice and assistance will be offered to any employee in the job search process e.g. information on the Council's Redeployment Policy, internal vacancies, CV preparation and interview skills.

17. Reasonable time off to find alternative employment

Employees served with notice of dismissal due to post deletions shall be allowed reasonable time off with pay to seek alternative employment or training during this time. This includes time off with pay to prepare applications and the use of Council facilities to produce these.

If an employee finds a job with an organisation not covered by the Redundancy Payments Modification Order before the expiry of the notice period, he/she can request to be released before the notice expires and be treated as redundant. The Council is not obliged to agree to any such requests.

If an employee finds a job with an organisation covered by the Redundancy Payments Modification Order, the employee will have to break their service between each employer by four weeks to keep their redundancy payment.

Refer to the relevant HR section for full details of these rules.

18. Statutory Dismissals procedure

This is a 3-step procedure that must be undertaken where less than 20 employees are being issued with notice.

Stage 1

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Write to the employee notifying them of the reason for the redundancy and invite them to attend a meeting to discuss it. The agenda for the meeting must include

- An explanation of the circumstances requiring the meeting
- That the employee is entitled to be accompanied at the meeting
- How and why the employee is affected
- Process to be followed and support available,
- Employee's opportunity to respond to the situation
- Employee must be told that dismissal is a possibility.
- The right to appeal against any decision to dismiss.

Stage 2

Hold a meeting with the employee to discuss the redundancy. Following the meeting, write to the employee notifying them of the decision and their right to appeal

Stage 3

Hold an appeal hearing as set out in paragraph 18 and Appendix 1

All of the above should be conducted in an empathic and understanding manner.

19. Right of Appeal.

- 18.1 Employees who are issued with a formal notification of redundancy will have the right to appeal against the decision to dismiss them on grounds of redundancy.
- 18.2 Employees who wish to exercise their right of appeal should do so by writing to the Head of Human Resource Service within ten working days of receipt of their formal notification of redundancy.
- 18.3 There will be one level of internal appeal.

The process to be followed is at Appendix 1

20. Grievances

Employees do not have recourse to the Grievance procedure regarding any matter relating to a dismissal as a result of post deletions. However, in very rare circumstances an employee may have a grievance, which is not dismissal related. In these circumstances their grievance must be raised with the Corporate Director immediately.

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Appendix 1: Appeals Process

A panel of three elected Members who have not been personally involved in the decision to make the post redundant will hear the appeal.

The Head of Human Resources or an appropriate representative (HR Manager, Principal or Senior HR Adviser), who has not previously been involved in the decision to dismiss, will advise the panel on technical aspects.

The Employee Relations Unit of Corporate & Customer Services shall notify the parties involved in the appeal, at least five working days in advance of the date, time and place of the appeal hearing (unless agreed otherwise with the employee). The notification letter will give details of the timescales required by Democratic Services for the exchange of paperwork and witness lists.

Employees will have the right to be represented at the appeal hearing by a trade union representative or work colleague of their choice.

A manager from the employing department will present the management side case, assisted by a representative from the appropriate HR unit (if necessary).

Each side is responsible for ensuring the attendance of their own witnesses. Witnesses should only be in attendance at an appeal to enable their evidence to be given and questions asked relating to that evidence.

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Conduct of the Statutory Appeal Hearing against selection for Redundancy

- A Chairperson for the panel will be selected. The Chairperson will first seek confirmation of the grounds of appeal.
- The management representative shall first present his /her case.
- The appellant and/or his/her representative may question the management representative and his/her witnesses.
- The panel hearing the appeal may question the management representative and his/her witnesses
- The appellant and/or his/her representative shall present his/her case.
- The management representative may question the appellant and/or his/her representative and his/her witnesses.
- The panel that hears the appeal may question the appellant and/or his/her representative and his/her witnesses.
- The management representative shall then be asked to summarise his/her case.
- The appellant or his/her representative shall then be asked to summarise his/her case.
- The panel hearing the appeal shall then ask the management representative, the appellant and/or his/her representative to withdraw.
- The case will then be considered in private and a decision reached.
- The hearing will then be reconvened and the parties informed of the decision. If for any reason a decision cannot be reached the same day the parties will be notified of the decision by letter.
- A letter confirming the decision should be sent to the appellant within five working days of the hearing.
- The decision of the appeal hearing will be final and binding and there will be no further right of appeal.