

Managing Organisational Change

1. Policy

This section deals with the principles that would be applicable in all forms of organisational change.

- 1.1 Barnet Council is a dynamic and modern organisation. To remain so there needs to be regular reviews of the needs of service users, the priorities of members, legal obligations, the successful application of new technology and budgetary requirements.
- 1.2 Barnet Council will take all reasonable steps to avoid compulsory redundancy. Meeting this aim means that employees will need to be flexible in how the workforce is structured and distributed and in the number of people employed and their location.
- 1.3 It is recognised that employees are the most valuable resource and that managers need to deal with organisational change in a way that reduces the disruptive effects of change. When employees are affected by an organisational change:-
 - the employees concerned will be treated in a fair and equitable way
 - advance notice of the impending change is given to the employees concerned as soon as possible
 - change will be brought about following consultation
 - the need for compulsory redundancy will be minimised but balanced against the Authority's need to retain employees with the skills and experience necessary to best meet future service requirements
 - redeployment opportunities will be maximised
- 1.4 Management will consult with recognised trade unions and staff on issues which, for example:
 - involve changes to contracts of employment
 - relate to discretionary aspects of implementation of national agreements
 - may potentially lead to redundancy
 - involve major changes in working practices, location of employees
 - involve introduction of, or changes to, local procedural agreements
 - issues raised, as a result of consultation, by individuals or the trade unions will be given due and timely consideration and, if possible, incorporated into the proposals.

- 1.5 Barnet Council will ensure that each employee has had an opportunity to discuss in a meeting the reasons for the redundancy, the pool for selection, the criteria, and any alternative employment.
- 1.6 A Redundancy and Redeployment Committee will normally be established to ensure the most efficient use of Council Resources.
- 1.7 Management will be responsible for designing the organisation and will share this information with employees and recognised trade unions. Barnet Council recognises that change can be a stressful time for the people involved and will tailor specific Employee Support programmes to support employees through the change.
- 1.8 Different terms may apply on particular dates and employees will receive the appropriate compensation applicable to the employee's last day of employment. This may be less than employees who have left the organisation on earlier dates.
- 1.9 In certain genuinely exceptional circumstances, consideration can be given to making a one-off payment, based on the merits of each individual case, up to the maximum permitted under the regulations* (i.e. 104 weeks' pay calculated on a sum up to the employee's actual week's pay) taking into account continuous service with employees listed under the Redundancy Payments (Continuity of Employment in Local Government etc) (Modification) Order 1999). There will be no right for employees to access this payment and the decision will be made on the circumstances as they relate to the particular individual. The payment incorporates the employee's statutory redundancy entitlement.

* The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 and The Teachers (Compensation for Redundancy and Premature Retirement (Amendment) Regulations 2006

- 1.10 The above forms the Council's policy as October 2010, it should be noted that:-
 - the policy does not confer any contractual rights
 - the Council will retain the right to change the policy at any time, recognised trade unions will be consulted.
 - The policy will be reviewed in September 2012

2. Procedure

This section deals with the procedures applicable when managing organisational change

2.1. Redeployment

Local Restructures - redeployment procedure

2.1.1. Where the duties and skill requirements of jobs at the same grade within a new structure are sufficiently similar to those of existing jobs, the appointment of particular employees without the requirement for a competitive process will take place.

2.1.2. Where 55% or more of an existing substantive role is contained within a new post at the same grade the individual will be appointed without competition or selection to the new post.

2.1.3. If the 55% rule above applies and there are more staff at that grade who have a claim on the role than there are posts available, the post(s) will be ring fenced and only those meeting the 55% rule at that grade will be able to apply for the posts. Decisions about who is to be in each ring-fenced pool will be determined taking each case on its merits. Selection will be based on objective, fair criteria.

2.1.4. Where no individual currently holds 55% or more of their existing substantive role within a new post at the same grade, the post will be open for competition. New posts will be appointed to through a formal assessment process.

Council Wide - redeployment procedure

2.1.5. Employees who have not been successful in securing an alternative post within a revised structure at the same grade, or for whom a revised structure does not apply will be deemed at risk of redundancy and fall within the Council Wide redeployment process. Employees will be given formal notice that they are at risk of redundancy and full consultation will take place with them. They will be advised of their right to be accompanied by a work colleague or trade union representative at any meetings to discuss their situation.

2.1.6. Staff who have been advised that their jobs are at risk of redundancy will be given priority consideration for redeployment to roles which are up to four spinal column points (scp) lower. Where an employee demonstrates that he or she fulfils the essential criteria for a post, he or she will be selected for interview over and above other candidates who may not be at risk of redundancy.

2.2. Pay Protection

2.2.1. Where an employee who is at risk of redundancy is not placed in a job of the same grade, he or she may be redeployed into a job up to four scp below the bottom of their substantive grade, subject to the process set out in 2.1 above.

2.2.2. Where an employee is offered a new job at a lower grade, his or her substantive pay will be “capped” at the maximum pay for that grade.

2.2.3. Where the action in 2.2.2 results in a reduction of substantive pay i.e. the substantive pay on the lower grade is less than the substantive pay of the higher grade, the employee may receive Pay Protection.

2.2.4. Pay Protection is calculated from the employee’s substantive scp prior to redeployment and is capped to the lower of a maximum of four scp above the top of the grade appointed to following redeployment or the job holders scp prior to redeployment.

2.2.5. The period of the Pay Protection is calculated by reference to the table below:-

Continuous Local Government Employment	Pay Protection Period
Less than two years	Equivalent to their contractual notice period (subject to a maximum of three months)
Two years plus but less than five years	Six months
More than five years	One year

Teachers Pay Protection is governed by School Teachers Pay & Conditions Document, issued by the Department for Education.

2.2.6. Following the period of protection the employee will be paid on the scale applicable to the new post.

2.2.7. Pay Protection will only apply where there is a reduction in the substantive pay that the employee will receive and will apply for a maximum of one year.

2.2.8. Substantive pay is basic salary without overtime or other non-contractual payments. During the period of protection the protected salary will be ‘frozen’ and thus not attract incremental progression. Where the alternative employment is for different hours of work, either more or fewer than in the existing post, this will be taken into account in determining the extent of salary protection.

2.3. Voluntary Redundancy

2.3.1. The decision whether to award voluntary redundancy or early retirement is at the Council's absolute discretion and will include consideration of, amongst other things, financial and organisational issues.

2.3.2. Trade union representatives and employees will be notified at the earliest opportunity of the reasons for potential redundancy situations.

2.3.3. Full and meaningful consultation will take place with trade union representatives, and the period of consultation should exceed statutory requirements whenever information can be provided at an earlier stage.

2.3.4. At the start of the period of consultation information will be provided to the trade unions on:

- the reason for the proposed redundancies;
- the number and category of employees who may be redundant;
- the proposed unit of redundancy;
- the proposed method of carrying out redundancy dismissals;
- the period over which redundancies might be carried out;
- the proposed methods of calculating severance payments;
- an equality impact assessment methodology for any redundancy proposals;

2.3.5. A formal response to the trade unions' representations will be made.

2.3.6. Compensation for voluntary redundancy will be calculated using the table at Annex A. This table provides the number of weeks pay that the employee will be entitled to on being made redundant. It should be noted that from time to time different terms may be offered.

2.3.7. Having established the number of weeks compensation to be paid, perform the following calculation:-

Current substantive salary divided by 52.14, multiplied by number of weeks compensation = redundancy compensation

2.3.8. Where appropriate, employees will be invited to indicate their willingness to consider voluntary redundancy. Such indications will not imply any commitment on the part of either the Council or the individual.

2.3.9. The Council will consider applications for voluntary redundancy from employees not themselves at risk within an area where the need for redundancies has been identified where this may avert or reduce the need for compulsory redundancy.

2.3.10. Estimates of the potential benefits for the employee can be obtained in confidence and without prejudice from the HR department. Any offer of voluntary redundancy will be formally confirmed in writing with all the appropriate terms and conditions set out.

2.3.11. Employees who leave the Council through voluntary redundancy will only be eligible for re-employment after a suitable break in service, which will be a minimum of one month's duration.

2.4. Compulsory Redundancy

2.4.1. All avenues must be explored to ensure that recourse to compulsory redundancies is minimised.

2.4.2. Trade union representatives and employees will be notified at the earliest opportunity of the reasons for potential redundancy situations.

2.4.3. Full and meaningful consultation will take place with trade union representatives, and the period of consultation should exceed statutory requirements whenever information can be provided at an earlier stage.

2.4.4. At the start of the period of consultation information will be provided to the trade unions on:

- the reason for the proposed redundancies;
- the number and category of employees who may be redundant;
- the proposed unit of redundancy;
- the proposed method of carrying out redundancy dismissals;
- the period over which redundancies might be carried out;
- the proposed methods of calculating severance payments;
- an equality impact assessment methodology for any redundancy proposals;

2.4.5. A formal response to the trade unions' representations will be made.

2.4.6. Compensation for compulsory redundancy will be calculated using the table at Annex A. This table provides the number of weeks pay that the employee will be entitled to on being made redundant

2.4.7. Having established the number of weeks compensation to be paid, perform the following calculation:-

Current substantive salary divided by 52.14, multiplied by number of weeks compensation = redundancy compensation

2.4.8. Employees who leave the Council through compulsory redundancy will only be eligible for re-employment after a suitable break in service, which will be a minimum of one month's duration.

3. Guidance

This section provides operational guidance for managing change.

3.1 Change Process

Where there is a need for Organisational Change, the responsible manager will in conjunction with HR produce a consultation document setting out:

- the rationale for change
- the proposed new structure
- the impact upon employees

The manager will then consult with recognised Trade Unions and staff about the matters raised in this document. This consultation will normally include:

- A launch meeting with the Trade Unions
- A launch meeting with affected staff
- One to one discussions between Managers and their staff

The purpose of this consultation is to gather views. Managers will then consider the information submitted and as appropriate modify or change the Consultation Document. The outcome of the consultation should be briefed to Trade Unions and Staff.

At this stage the Change Programme can be implemented.

3.2. Employees at Risk of Redundancy

Employees who have been, or who are likely to be made compulsorily redundant, are defined as 'At Risk'. In all cases, the Council will endeavour to ensure notice of 'At Risk' status is given in sufficient time to enable those employees to find alternative employment within or outside the Council. The law removes entitlement to a statutory redundancy payment if an employee unreasonably refuses a suitable alternative role.

Employees who are at risk of redundancy will remain within their service area for the period of consultation. Where it is confirmed that their post will be made redundant they will remain in their service area, unless they are redeployed, for the duration of their notice period however during this period they will be given priority consideration for posts elsewhere in the Council.

3.3. Redundancy Selection Criteria

Where it has not been possible to avoid making employees compulsory redundant, objective criteria will need to be defined to enable the objective selection of employees to be made redundant. Illustrative criteria, which can be used singly, in combination, varied or added to subject to need prior to selection commencing, are shown at Annex B. The aim of these criteria is to select those scoring the lowest number of points for redundancy.

3.4. Redundancy Checklist for Managers

Attached at Annex C is a checklist to go through when it is believed that compulsory redundancy will take place.

3.5. Trial Periods

Where the employee is redeployed to a new role that differs wholly or in part from the original role, the employee is entitled to a statutory trial period of four weeks.

3.6. HR1

The Council is obliged to notify the Department for Business, Innovation and Skills of the proposed redundancies in writing on form HR1. This notice should also be supplied to the employee representatives. Where 20 to 99 employees are to be made redundant at least 30 days before the first redundancy. Where 100 or more employees are to be made redundant at least 90 days before the first redundancy

3.7. Definition of Actual Pay

To calculate a week's pay identify the person's annual salary as at the time of redundancy, to this add any contractual and pensionable payments. Divide this total by 52.14 and multiply by the requisite number of weeks to provide the value of the redundancy payment.

3.8. Equality Impact Assessment

The Equality Impact Assessment process has six key steps:

- Initial screening: to determine whether it is necessary to carry out a full equality impact assessment;
- Scoping and defining: by whom, when and how the equality impact assessment should be carried out;
- Information gathering: what are the main sources of information, what stakeholders should be consulted;
- Judgment: using the information gathered to make a judgment about the potential for proposals to result in a less favourable outcome for any group in the community/workforce, or unlawful discrimination of any kind;
- Action planning: what actions will take place and/or positive changes as a result of the equality impact assessment;
- Publication: the results of an equality impact assessment

3.9. Suitable Alternative Employment

An employer must take reasonable steps to find alternative employment for employees who would otherwise be dismissed by way of redundancy. For an employee with a disability, the provisions of the Disability Discrimination Act to make reasonable adjustments must be considered. In cases of maternity/adoption leave the employer should make all reasonable effort to find suitable alternative employment for the individual concerned. Care should also be taken to fully engage with any employees on long term sick leave who are at risk of redundancy.

3.10 4 Week Trial

If the trial period takes the employee beyond their proposed last day of service, this date will be extended to accommodate the four week trial. This will not affect the entitlement to a redundancy payment. It is the line manager's responsibility to ensure the necessary administration is completed to effect this change. If employee works beyond the end of the four week trial or their extended last day of service, they will lose their redundancy entitlement as they will be deemed to have accepted the new employment.

Annex A

Statutory redundancy pay table

Years employed

Age	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
17	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	1	1½	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	1	1½	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	1	1½	2	2½	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	1	1½	2	2½	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	1	1½	2	2½	3	3½	-	-	-	-	-	-	-	-	-	-	-	-	-
23	1½	2	2½	3	3½	4	4½	-	-	-	-	-	-	-	-	-	-	-	-
24	2	2½	3	3½	4	4½	5	5½	-	-	-	-	-	-	-	-	-	-	-
25	2	3	3½	4	4½	5	5½	6	6½	-	-	-	-	-	-	-	-	-	-
26	2	3	4	4½	5	5½	6	6½	7	7½	-	-	-	-	-	-	-	-	-
27	2	3	4	5	5½	6	6½	7	7½	8	8½	-	-	-	-	-	-	-	-
28	2	3	4	5	6	6½	7	7½	8	8½	9	9½	-	-	-	-	-	-	-
29	2	3	4	5	6	7	7½	8	8½	9	9½	10	10½	-	-	-	-	-	-
30	2	3	4	5	6	7	8	8½	9	9½	10	10½	11	11½	-	-	-	-	-
31	2	3	4	5	6	7	8	9	9½	10	10½	11	11½	12	12½	-	-	-	-
32	2	3	4	5	6	7	8	9	10	10½	11	11½	12	12½	13	13½	-	-	-
33	2	3	4	5	6	7	8	9	10	11	11½	12	12½	13	13½	14	14½	-	-
34	2	3	4	5	6	7	8	9	10	11	12	12½	13	13½	14	14½	15	15½	-
35	2	3	4	5	6	7	8	9	10	11	12	13	13½	14	14½	15	15½	16	16½
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14½	15	15½	16	16½	17
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15½	16	16½	17	17½
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16½	17	17½	18
39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17½	18	18½
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18½	19
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19½
42	2½	3½	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
44	3	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½
45	3	4½	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
46	3	4½	6	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½
47	3	4½	6	7½	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
48	3	4½	6	7½	9	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½
49	3	4½	6	7½	9	10½	12	13	14	15	16	17	18	19	20	21	22	23	24
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½
59	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28	29
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½
61+	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30

Annex B

Example redundancy selection criteria and point allocation

Criteria	Description	Points
Knowledge, skills and experience	Based on the person specification for the job role and business case for future service needs.	Full Match 20 points No match 0 points
Qualifications	Based on essential and desirable qualifications or equivalent listed in the person specification for the new role. Less weight should be given to desirable qualifications. If no qualification is specified on the person specification maximum points should be given.	Full Match 10 points No Match 0 points
Absence	Based on the employee's recorded absence for each of the previous 3 years to date. Sickness absence does not include pregnancy related absence, disability related as defined by the Disability Discrimination Act and Industrial injuries accepted by the Council's insurance section.	10 = no absence 7 = absence below trigger level 5 = meeting trigger point but informal action 1-4 = formal caution/warning 0 = final caution
Capability	Be based on procedures informal/formal that have commenced and been discussed fully with the employee in the past 3 years to date	10 = no action 7 = informal action 5 = first written warning 0 = final warning short of dismissal
Disciplinary record	Based on information past 3 years to date.	10 = highest (no disciplinary record) 7 = informal action 5 = first written warning 0 = final warning short of dismissal
Cost of redundancy	Based on the cost of redundancy as per estimates of benefit prepared as part of the redundancy process. Part time staff will have their total years service treated in the same way as full time staff but to mitigate against an in balance in respect of relative cost of redundancy payments and pension, the actual cost should be rounded up to a full time equivalent.	High Cost 20 points Low Cost 0 points

Managers Redundancy Checklist

1. Is there an alternative to reducing the staffing complement?
2. Have the recognised trade unions been consulted?
3. Was the 'pool' of employees from which those who are to be made redundant selected objectively and fairly reached?
4. Have fair, objective selection criteria been used?
5. Has a fair and objective selection process been established?
6. Has an appeals procedure been established?
7. Has an Equality Impact Assessment been completed?
8. Has each employee at risk of redundancy had an opportunity to discuss matters with his or her line manager?
9. Has suitable alternative employment for each employee at risk of redundancy been considered?
10. Has assistance been provided to each employee at risk of redundancy to find other work?

Redundancy Terms for the period until 31 March 2011

1 Introduction

- 1.1** Barnet Council is committed to ensuring the continuing employment of all permanent employees wherever possible however it wishes to make the provision for different severance arrangements in the period to 31 March 2011.
- 1.2** This Annex does not confer any contractual entitlements upon any employee of Barnet Council. It may be varied from time to time by the Council, recognised trade unions will be consulted.

2 Operation of these Redundancy Terms

- 2.1** The Policy, Procedure, Guidance and Annexes A-C of Managing Organisational Change will apply in the period except that the multiplier to be applied to Annex A is x2.
- 2.2** Any severance completed after this date will be calculated in accordance with the provision, that is the number of unenhanced weeks, shown at Annex A of the Managing Organisational Change Document.

Cessation of Policies applicable to School Based Employees and Centrally Employed Teachers

1. Introduction

Consequent on the adoption by the London Borough of Barnet of the Managing Organisational Change Policy in 2010, the following policies:-

- Redeployment and Redundancy Procedure for School Based Staff in Schools with Delegated Budgets
- Redeployment and Redundancy Procedure for Teachers in Central Services

will cease on and from 1 April 2011.

Where it is intended to redeploy or make redundant School Based Staff in Schools with Delegated Budgets or Teachers in Central Services then the Managing Organisational Change Policy and any associated guidelines that will be issued from time to time should be utilised. It should be noted that Paragraph 3 set out below will only apply to Schools where Teachers are employed by the London Borough of Barnet, that is Community Schools and Pupil Referral Units.

It should also be noted that all Teachers employed in Community, Foundation, Pupil Referral Units, Trust and Voluntary Aided Schools are covered by the School Teachers' Pay and Conditions Document [STPCD].

These changes do not affect any provisions in the Burgundy Book.

Where Foundation or Voluntary Aided Schools adopt LBB policies and procedures it will be a matter for the employer to decide whether they wish to adopt these changes.

2. Interim Arrangements

The application of Managing Organisational Change Policy for Schools based staff and centrally employed teachers will only apply to Redundancy consultations which start after 1 April 2011.

3. Specific processes applicable to Teachers on STPCD

As part of the consultation exercise the Council recognised that for Teachers on STPCD there were a number of particular processes which should be considered and applied as necessary, and these are set out below. These processes will be appended to the Managing Organisational Change Policy.

3.1 Notice

To establish the period of notice that a Teacher is due, the contract of employment should always be checked, especially in the case of fixed term or other atypical employment contracts. All Head Teachers receive three months' notice for the Autumn and Spring Term and four months for the Summer Term. It is possible for a School and a Teacher to agree other dates but this must be a matter of agreement between the School and the Teacher. For Teachers, where no express variations are stated in the contract or agreed, the following will apply.

For the purposes of this matter School terms dates are assumed to be:-

Spring Term	-	1 st January –	30 th April inclusive
Summer Term	-	1 st May -	31 st August inclusive
Autumn Term	-	1 st September –	31 st December inclusive

All periods of notice are to the end dates of the Terms identified above, that is 30th April, 31st August and 31st December.

A teacher, who is due to leave at the end of the Spring Term must be given notice no later than 28th February*

A teacher who is due to leave at the end of the Summer Term must be given notice no later than 31st May

A teacher who is due to leave at the end of the Autumn Term must be given notice no later than 31st October*

* Please note some Teachers may accrue an entitlement to more than this period of notice – see below.

Depending on the Teacher's contract, notice periods may be up to 12 weeks dependent on the individual's length of service.

3.2 Pay Protection [also known as Safeguarding]

This is a complex area, covered in detail in the STPCD issued, usually, each year, the most recent being 2010. As a general principle pay is protected for a maximum of three years from the date of the event that reduced the Teachers substantive pay. Safeguarding can end before the three years in the following circumstances:-

- At the end of the period of safeguarding
- Where substantive pay including allowances exceeds the old point and any Safeguarding.
- Where the Teacher leaves the School.
- Where a Teacher unreasonably refuses to carry out duties that were incumbent on the protected pay.

Where a Teacher's working hours change, Safeguarding should be applied on a pro-rata basis. Where "General" Safeguarding was implemented prior to 1st January 2006, a Teacher may continue to receive Safeguarding in line with the terms put in place at the time the Safeguarding was implemented.

In any case of doubt please consult the relevant STPCD.

3.3 First Committee

This group of School Governors is the group that will lead on redundancy matters for the School, dealing with all related matters, for example, consultation with Trade Unions.

3.4 Second Committee

This group of School Governors, composed from different members to the First Committee, deal with any redundancy appeals.

March 2011

End