

REPORT TO: Cabinet

6 February 2019

LEAD CABINET MEMBER: Lead Cabinet Member for Finance

LEAD OFFICER: Head of People and Organisational Development

Organisational Change Policy and Procedure

Purpose

1. The purpose of this report is to present to Cabinet a revised Organisational Change policy and procedure and to recommend adoption of the policy and procedure.
2. This is not a key decision because it does not result in the authority incurring expenditure which or the making of savings which are significant having regards to this Council's budget for the service or function to which relates. Neither does it have an effect on communities living or working in the area.

Recommendations

3. It is recommended that Formal Cabinet:
 - a) Note the report and the changes to the policy;
 - b) Approve adoption of the policy.

Reasons for Recommendations

4. The Organisational Change policy and procedure was scheduled for review and subsequently has been updated in line with best practice, legislative updates, EELGA change guidance, the Council's strategic aims, in consultation with Trade Unions and feedback from employees.

Background

A draft Organisational Change policy and procedure was considered at the Trade Union meeting on Tuesday 4th September 2018. Feedback was received from both GMB and UNISON and has been updated and agreed by UNISON on 5th November 2018 and agreed by GMB on 7th December 2018.

In addition, managers were consulted on the policy. One key focus for consultation with managers was to ensure that the revised policy and procedure is more user friendly. The policy and procedure was approved by EMT for consideration by Cabinet on Tuesday 4th December 2018.

The Employment and Staffing Committee, at its meeting on 17th January 2019, recommended the revised policy and procedure to Cabinet with a minor amendment to emphasise the protection for staff on maternity leave. The amendment can be found under pages 4 and 6 of the policy confirming that the Council will comply with any duties under the Maternity and Parental Leave Regulations 1999. Also amended in the procedure on page 11.

Considerations

5. The key changes to the policy and procedure are as follows:

Details of the change	Rationale
<p>The addition of 12 months' pay protection for suitable alternative employment to a post one grade lower or where a member of staff at risk of redundancy applies for and is offered a vacant post one grade lower. Pay protection guidance can be found in appendix 2 of the Organisational Change Policy and Procedure.</p>	<p>The Policy acknowledges that the needs of the Council are paramount but that it will also avoid redundancies where possible. The inclusion of 12-month salary protection for movement to 1 grade lower provides an option which avoids redundancies. On average this will be cost saving as paying the salary for 12 months will generally be lower versus redundancy costs whilst also retaining talent in the Council.</p>
<p>Placing individuals at risk of redundancy has been moved to the implementation period of a change programme and is not announced in the consultation period. Instead individuals in scope will be provided with information in writing how they are '<i>affected by change</i>' during the consultation period.</p>	<p>Placing individuals at risk of redundancy during the consultation period can cause undue stress; the proposed terminology of being '<i>affected by change</i>' would potentially reduce anxiety for staff. By using the terminology '<i>affected by change</i>' and not placing staff at risk during a consultation it should help staff to feel that their views are being listened to rather than, as some staff can feel, that the outcome has already been decided. It also defers placing staff at risk until after they are actually at risk of redundancy and not because they are within scope of the change.</p>
<p>The Policy and Procedure have been restructured in line with the change journey and into phases to make it more user friendly for a line manager and employee. Other documents have also been added to increase usability – glossary of terms, TUPE FAQ and individual meeting checklists. There is also a reduction in word count to reduce length of the procedure and to avoid duplications. There is an increase in the number of appendices to provide clarity and additional guidance.</p>	<p>Whilst the Policy and Procedure is still long, there is a lot of material to cover. The introduction of a clickable contents page to take a manager/employee to a relevant section helps navigate the document as well as addition of useful documents. This is all aimed towards making the policy more user friendly.</p>
<p>The addition of a scoping meeting with HR to scope out all work required prior to the start of any change programme.</p>	<p>The meeting is necessary to advise the manager on how the policy applies to their proposed change and review key factors of the change programme; communications, timelines, job evaluation process, those in scope of the change etc.</p>

<p>Clarity to the Procedure; The addition of clarity on communication with absent staff. Appeals process into one area of the procedure in the format of a table. Fixed term workers treatment included in its own section.</p>	<p>This brings clarity to the procedure, e.g. ensuring that managers aware of process for dealing with those absent during a change programme.</p>
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Options

6. The decision available to Formal Cabinet is whether to approve the Organisational Change Policy and Procedure, suggest amendments or reject the changes.
7. It is recommended that the policy is adopted.

Implications

8. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

9. There is a potential for less redundancy payments with the introduction of the 12 months' pay protection which means a cost saving to the Council. This is due to the fact that in the majority of cases, 12 months of protecting a salary will be less than the cost of the redundancy payment whilst also keeping the member of staff in employment.

Staffing

10. There is minimal risk to the organisation by the suggested changes to the Policy and Procedure. One potential risk is the employee's right under case law to refuse suitable alternative employment on their own defined reasonable grounds; for some, the offer of redundancy payment may be preferred to the suitable alternative offer of pay protection to a one grade lower post. In these situations, communication is key and the Procedure minimises this risk by encouraging the member of staff to discuss the offer of suitable alternative employment with the manager in the first instance and if following this there is still disagreement, the provision of the ability to appeal. Managers will be advised by HR on reasonable grounds for refusal of suitable alternative employment on a case by case basis which also minimises any potential risk and provides a consistency of approach to the application of the policy.

Equality and Diversity

11. An Equality Impact Assessment (EqIA) has been carried out and there is no detrimental impact identified. Adjustments may need to be made for individuals with disabilities in terms of interviews for vacancies, redeployment. Pregnant or employees on maternity leave will be given priority in terms of identifying suitable alternative employment/redeployment purposes. The updated Policy and Procedure also brings enhanced clarity to the right of absent staff right to be consulted.

Consultation responses

12. GMB and UNISON have been duly consulted on the policy. EMT, at its meeting on 4 December 2018, considered the Policy and Procedure, and requested that it be forwarded to Employment and Staffing Committee. Employment and Staffing Committee has commented on the revisions and recommended the revised policy and procedure to Cabinet.

Background Papers

- a) ACAS guidance and relevant employment legislation
- b) Chartered Institute of Personnel and Development
- c) East of England Regional Council for Local Government Services - Joint Guidance on Change Management
- d) Maternity and Parental Leave Regulations 1999 (SI 1999/3312)

Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

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