**MANGERS’ GUIDE TO EFFECTING CHANGE (to accompany Policy to Manage Staff Changes)**

**Introduction**

As a manager, you may identify a potential way of improving the service delivered by your team which is likely to impact on staff, requiring them to either work differently or possibly reduce in number. To make changes to your team, you will need to lead them through this process with support and advice from HR.

**Planning**

First, you will need to seek approval in principle from SLT for the change you would like to make. To do this, you should prepare a business case which will also form the basis of the consultation document which you will present to affected staff later in the process (see below). A template for the business case is available but in summary it should include:

* Reasons for the change
* Indicative costings, including any potential savings
* Employees in scope and any potential redundancies
* Provisional timeframe including key dates for consultation
* Current and proposed job descriptions.

Any new proposed job descriptions can be provided with indicative grades but, once SLT approval has been given, job descriptions must be provided to HR for formal job evaluation as soon as possible.

**Costings**

Costs associated with redundancy can be significant particularly for long serving employees or those who are just over pensionable age (aged 55). You must therefore ensure that the costs associated with a redundancy exercise are fully understood as this will be a key component of your business case. HR can advise and assist with calculating notice periods and redundancy costs associated with the loss of salary; however pension costs must be secured from Surrey Pensions, and this can take longer than expected. You should factor this into your planning and discussions and remember to request pension estimates in good time and as a part of your scenario planning.

At the time of writing the government have legislated to implement an overall Pay Cap of £95,000 (including pension strain) for payments in relation to termination of employment[[1]](#footnote-1), however changes to the Pensions Scheme Regulations have not been made to accommodate this, therefore it is unclear how this will operate in practice. In addition, there are other changes to termination payments which may later come into force. As and when there is further clarity, details will be provided and this policy updated.

**Engagement and Consultation**

Once you have SLT agreement to move forward with your proposal, you will need to begin a period of consultation with those employees who are affected. Generally, this will last for 4 weeks but can be less if the scale of the change is small. The main thing is that the consultation should be meaningful, all relevant information is shared, and alternative views and ideas are considered. If there are 20or more posts being made redundant in one workplace within a 3-month timeframe, there are additional legal requirements therefore it is very important you notify HR of your intentions as soon as you can and take early advice to factor these in if required.

If a group of staff are affected, it would be usual to share the consultation document at a group meeting, or if the impact is on one or two, at a meeting with those staff. If you are going to make a group announcement, please ensure that you have given advance warning by meeting individually anyone whose job is affected in a material way (i.e. those that are identified as at risk of redundancy) so that they do not hear it for the first time at the same time as everybody else. When you speak to them, you should remind them that this is confidential information at this stage. (Note this is a courtesy so it does not require advance notice, representation or formal note taking).

The consultation document should include information on:

* Rationale for the change
* Posts which may be affected, clarifying those which may be redundant and why these posts have been selected
* Whether or not voluntary severance requests will be considered
* Proposed method of appointment to available posts (see below)
* Special considerations may apply to individuals on Fixed Term Contracts – especially if you are seeking to end their contract early so you should remember to include these in your planning and discussions with HR
* Proposed structure. It is helpful if this is shown diagrammatically – colour coding new posts and posts at risk – with an ‘as is’ structure and a proposed ‘to be’ structure.
* Proposed timetable, up to and including possible implementation date and giving a time frame to any further group meetings, individual meetings, end of consultation period, feedback and appointment process. Creating a timeline is an important part of the planning – HR can advise and provide templates to assist.

Remember that anyone who is absent for any reason, including maternity/paternity leave, unpaid leave, sickness absence etc must also be consulted at the same time.

Everyone who is affected by the change must be given the opportunity for a 1:1 meeting with yourself or an SLT lead to understand the implications for them as individuals, offer any feedback and ask any questions. If their post is at risk of redundancy, this is also a chance to provide estimates of redundancy payments if available and to begin discussions about potential redeployment options. Employees are entitled to be accompanied by a work colleague at these meetings so reasonable notice should be given. Although not formally recognised, MVDC will additionally allow a Unison representative to accompany the employee if they wish.

**End of Consultation**

At the end of the consultation period (the date you have given in your consultation document), you should carefully consider all the responses and suggestions you have received and any changes you may wish to make to your proposal as a result. You should respond to representations and suggestions received whether or not you have decided to incorporate them into an amended proposal. On occasion, if there are a lot of comments you may find it useful to respond during the consultation period where it is possible to do so – e.g., after each week. This is so that employees have an opportunity to consider your comments through the consultation period.

You then need to go back to the staff group to confirm that the consultation period has now ended and provide details of the confirmed new organisational structure.

**Implementing the new arrangements**

As part of the consultation document, you will have outlined the method and timetable for appointment to new posts in the new structure.

Initially, the options are either:

**Automatic Transfer** - Where the new role is identical to the old role or variations are only minor such as title or location, and there are enough roles available. Where there are fewer roles than people, appointment will follow a competitive selection process, on a ring-fenced basis.

or

 **An 80% Plus Fit Role** – Individuals will be slotted into a similar role in the new structure where, following a comparison of old and new job profiles, the new role is 80% similar to their previous role. Where there are fewer roles than people, appointment will follow a competitive selection process, on a ring-fenced basis.

Anyone who has not secured a post after this exercise may be ring fenced to apply, on a competitive selection basis, for any roles within the new structure which remain unfilled.

Those who have been appointed to a new post, will be entitled to a 4-week trial period which may by mutual agreement be extended for a further 8 weeks. See section below for information on trial periods.

Any posts still available after this exercise will be filled via the normal recruitment procedure.

Those who have not been appointed to a job role in the new structure will be at risk of redundancy.

**Suitable alternative employment**

It is hoped that any employee who finds him/herself at risk of redundancy will be able to secure suitable alternative employment and, to support this, HR will maintain a list of those seeking redeployment.

Individuals will be considered for any MVDC vacancies as they arise and matched according to skills and qualifications.

Although personal preferences and views will also be taken into account, anyone who unreasonably rejects an offer of suitable alternative employment may lose their entitlement to redundancy. The decision as to what is reasonable will be taken in conjunction with the employee and will take into account things like the job content, location, terms and conditions, status etc.

It is important to note that employees who are displaced have a ‘right to be considered’ for roles within the organisation, not a right to be slotted. If he/she meets the essential criteria therefore he/she will be interviewed ahead of any other applicants who are not at risk of redundancy.

If more than one employee is considered to be a suitable match for a post which becomes available for redeployment, a competitive selection process will take place.

If a new post is at a lower grade as an outcome of a restructure, pay protection may apply and details of this are available in MVDC’s Policy to Manage Staff Changes.

**Trial period**

Anyone who takes on a new role as a result of organisational change will be entitled to a trial period in the new role. This is for a minimum of 4 weeks but can be extended for a further 8 weeks. During the trial period, you should meet with the individual regularly and towards the end of the period to agree whether or not the trial has been successful on both sides. If it is agreed that it has not been successful, the person’s employment will be brought to an end and redundancy benefits due before the trial period will be paid. If however, the employee unreasonably refuses to take the job, redundancy benefits will be withheld. In these circumstances, the employee will have the right of appeal.

**Redundancy**

Anyone who has not been appointed to a role in the new structure will be deemed to be at risk of redundancy. You should confirm with your SLT lead that this is the case and arrange to meet with the individual as soon as possible to confirm that their role is redundant. They have the right to be accompanied at this meeting by work colleague or MVDC will additionally allow a Unison representative to accompany them if they wish. A member of the HR team may also be present.

At this meeting, you will confirm the period of notice which will be given and provide an estimate of redundancy benefits. Details of how notice periods and benefits are calculated are available in MVDC’s Policy to Manage Staff Changes.

You should inform them that during their notice period, efforts to seek redeployment for them will continue and that reasonable (paid or unpaid) time off during their notice period to support their search for alternative employment, for example to attend interviews or training, may be granted.

Formal redundancy notice letters should be issued within 5 working days of this meeting. This must contain confirmation of the discussion including the employee’s right of appeal against the decision.

As this can be a difficult time for the employee, remember to include reference to our Employee Assistance Programme for support.

**Office Moves and Change of work location**

Some proposed changes may not impact on an individual’s employment as such but will involve a change of work base. If this is the case, you will still need to produce a business case detailing reasons and drivers for change and consult with affected staff.

It is unlikely that this will result in a redundancy situation as staff will generally be offered a role undertaking their existing duties at a different work location, which is likely to be considered as suitable alternative employment. However, this may depend on distances involved and relevant personal circumstances. HR are able to offer support and advise as necessary.

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| **Version** | **Version Status**  | **Date** | **Version Comment**  | **Version Author** |
| V1.0 | Final | Not specified |  |  |
| V2.0 | Review | Due  | Policies to be reviewed at least every 3 years or in the event interim changes are needed (e.g. changes in legislation, work practices). | CS |

1. The cap applies to the total amount payable when someone exits and so applies to the total of severance payments, any pension strain cost and notice payments in excess of three months. [↑](#footnote-ref-1)