

CHANGE MANAGEMENT POLICY & PROCEDURES

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ORGANISATIONAL CHANGE POLICY

1. INTRODUCTION

Children's Hearings Scotland (CHS) is committed to continuous improvement and development of our services to children and families in the context of efficient public services and the economic strategy set out by the Scottish Government.

Whilst there will always be day to day improvements in work some of the challenges may require more significant 'change' for individuals, teams, and the organisation, including changes in roles, location, or even staffing structures and numbers. CHS has a policy of no compulsory redundancies aligned to SG principles.

The purpose of the policy is to ensure the change process is open, equitable and consistent for all, and in accordance with best practice and relevant legislation.

2. SCOPE

The Policy applies to anyone within CHS who is subject to significant change on an individual or team basis. That is any member of staff, whose

- post is *at risk* due to organisational change; or
- is *displaced* as a result of their substantive post ceasing to exist or altering substantially

3. PRINCIPLES OF THE POLICY

- CHS is committed to minimising uncertainty and insecurity for individuals affected by change.
- Staff affected by organisational change and staff representatives will be informed of proposed changes as soon as is reasonably practicable. The reason for the changes will be fully explained and a consultation exercise involving appropriate individuals and their representatives will be undertaken.
- The organisation will where appropriate, redeploy displaced staff into 'new' or alternative roles within the organisation utilising retraining where appropriate.
- Wherever possible, change will be designed around the skills of existing staff.
- Where it is identified that organisational change will result in a reduction in staff numbers, positive management action such as a vacancy management system will be implemented, to minimise negative impact.
- Whilst managers are responsible for the implementation of organisational change policy, all staff have the responsibility to participate constructively in the process.
- The principles of staff partnership working will be applied to organisational change situations.

- There is a commitment to no compulsory redundancies as a result of organisational change.

4. ORGANISATIONAL CHANGE PROCESS

The management of any change scenario will be appropriate and proportionate to the particular event, but broadly speaking the handling of change will follow 6 key steps:

- Framing the problem and clarifying what needs to change and why
- Establishing who could be impacted
- Communication on problem/issue
- Proposals for change intervention
- Consultation of staff (individuals or wider as appropriate)
- Implementing change

Definitions

- **“Displaced”** - A member of staff who holds a substantive permanent post (or holds one of several broadly similar posts) which is substantially altered or has disappeared (or be reduced in numbers) as a result of the organisational change.
- **“At risk”** - Posts at risk are those likely to be substantially altered, reduced in number or disappear as a result of the organisational change.
- **“Equivalent posts”** - Posts of the same grade or fulfilling similar functions (irrespective of grade) or posts with similar job or role descriptions to the existing post held by staff at risk.
- **“Eligible staff”** - Permanent staff who are displaced and hold equivalent posts.

Stage 1: Identifying

The first stage is a process to identify if/what the impact of proposed changes may have on an individual or team(s). This should be included as part of any proposed changes, but it may be that the full impact is only identified following discussion. A framework of how this will work in practice is set out in the paragraphs below.

Stage 2: Consultation

Consultation may be with an individual or a wider group (see HR). Where changes only affect an individual consultative discussion can take place with the individual and where appropriate their representative.

Where change ‘displaces’ individuals such as the introduction of new structures etc. further stages may be required. Consultation should be proportionate and appropriate, but nevertheless real. It must be fair and ‘feel’ fair.

Stage 3: - Matching.

A matching process will apply wherever possible, that is 'matching' a displaced member of staff across from their substantive post to a 'new' post in the revised arrangements. However, it can only apply when there is only one member of staff, and the roles and grade are broadly equivalent. In some circumstances staff can expect to be matched into the comparable vacancy without competition (i.e. slotted into the post on a permanent basis). Decisions on matching will be undertaken by the line manager in consultation with HR.

Stage 4 - 'Ring Fenced Competition'.

Where organisational change results in a significant change in the structure and/or the nature of roles within a team, competition for 'new' posts will normally be "ring fenced" to displaced staff as set out below:

- The process adopted will be fair, just and open to scrutiny and consistent with CHS' Recruitment and Selection Policy and Procedures.
- Displaced staff will be given details of all equivalent posts within the revised structure.
- In more significant changes, each person may express preferences for a defined number of equivalent posts, in priority order. Choice is limited to the individual's current/protected grade or one grade above/one grade below. Any promoted posts must be open to competition.
- Alignment of staff, based on their preferences expressed against available equivalent posts is then undertaken, by the co-ordinating group.

If there is more than one suitable candidate for a vacancy, a competitive selection process is used commencing with most senior level post.

If there is a single suitable candidate, that person will be appointed to the post on a permanent basis subject to his/her ability to fulfil the person specification with a development programme implemented if required.

Stage 5 - 'Suitable Alternative Employment

In some instance, there may be no obviously appropriate role for a member of staff within the revised arrangements. On these occasions, the organisation will seek to identify suitable alternative employment for staff within the wider organisation, with due regard to professional and personal circumstances. In the process, displaced staff will be expected to demonstrate some flexibility.

Where an individual member of staff unreasonably refuses an offer of suitable and appropriate alternative employment, the member of staff may forfeit any right to a compensation (redundancy) payment.

In making offers of suitable alternative employment the provisions of the excess travel policy will apply.

Trial Period: Where an offer of alternative employment is made, the member of staff will be entitled to a four-week trial period in the new job commencing from the start of the new contract. Where requested, the trial period can be extended, up to a maximum of 12 weeks. In such cases account will be taken of the requirement of Section 138 (3 & 6) of the Employment Rights Act 1996 that such an extension is for the purpose of retraining.

If during or at the end of the trial period, it is established that there are reasonable grounds to believe that the new arrangement is unsuitable, the individual may be considered for other redeployment opportunities within the organisation.

Stage 6 - 'Redeployment Register'

A redeployment register will be maintained by the Human Resources Team for staff who remain displaced, or are awaiting a more appropriate role, until such times as they find suitable positions.

5. OTHER OPTIONS: VOLUNTARY REDUNDANCY/RETIREMENT ETC

CHS is committed to no compulsory redundancies and will manage this by taking a range of management actions which may include freezing vacancies.

In some instance voluntary redundancy, early retirement or flexible retirement options may be available. Where Voluntary Redundancy/Early/Flexible Retirement options are identified, the organisation reserves the right to determine whether individual members of staff can be released. Selection criteria for such options would be agreed in partnership with staff representatives, but would be likely to include:

- service requirements
- skills and experience of the individual to meet current and future needs
- availability of suitable alternative employment
- cost implications

Details of the **current** entitlements are attached at appendix 1

6. SUPPORT FOR STAFF

Managers will be supported through training and HR Shared Services support to manage change. Individual members of staff, will be able to obtain support and guidance from their immediate line manager during organisational change. To supplement this, the following may be accessed as required:

- Staff concerned are entitled to be represented by staff representatives or other colleagues at all stages of the change process.

- A 24 hour, 365 day a year confidential free counselling and employee assistance via ICAS (Telephone 0800 0727 072).
- The HR Business Partner will be available to discuss personal circumstances and redeployment options in conjunction with the line manager. The staff member will have the opportunity to include their representative in these discussions.
- In some cases staff may require support in securing employment out with the organisation as a result of change. Where appropriate, assistance will be provided for those who wish to develop their interview skills, require guidance in the completion of application forms, preparation of CV's and general career advice.
- It will be permissible for employees selected for redundancy to take time off during their notice period to look for alternative employment. Requests for time off, which will not be unreasonably withheld, should be made in the first instance, to their line manager. Employees selected for redundancy are permitted to use CHS equipment and facilities to help them locate another job or suitable training opportunity.

7. PERSONAL PROTECTION

Staff will suffer no immediate detriment to their salary or terms and conditions should they be required to change job, responsibilities, location or hours of working as a direct result of organisational change. Specific protection arrangements will be outlined for each proposed change. Protection arrangements will last for no more than 3 years.

In the interests of the individual and all staff CHS will, as a matter of policy, offer/bring to the attention of staff on protected earnings, suitable posts on the appropriate grade/terms and conditions of service. Protection will not be continued if such an offer is unreasonably refused.

Pensions: Loss of pay protection

In a situation where protection is not continued and the member of staff suffers a reduction in earnings, they may opt for preserved benefits in respect of their pensionable service before the reduction took place. The conditions applying to preservation of benefits are:

- they are employed on a permanent basis
- they have at least 2 years membership
- they have less than 2 years membership with Lothian Pension Fund but have transferred in some membership

If the member of staff has less than 2 years *scheme membership* and has not transferred any membership in from another Scheme, the choice is:-

- to transfer their LGPS rights out to another pension arrangement, or
- to take a refund of their contributions or
- to delay taking a refund in anticipation of transferring or returning to the Scheme at a later date

CHS' Pension Provider should be contacted, in writing, within 1 months of the effective date of any change. Advice on the pension implications can be obtained from Human Resources.

8. APPEALS

If the employee feels the change process procedures have not been followed appropriately or that they are unhappy with the decision they have the rights of appeal as set out in CHS' Grievance Procedure.

MORE INFORMATION

Staff affected by change may wish to can obtain further advice from:

ACAS: <http://www.acas.org.uk> or telephone 08457 47 47 47.

Appendix 1

Normal Early Retirement

Staff who request and are approved for voluntary early retirement (not through ill health grounds or through efficiency) will receive three months full pay in lieu of notice.

There is scope to retire and draw pension benefits from anywhere between age 55 (50 if you were a member of the LGPS on 5th April, 2006), right up to the eve of an individual's 75th birthday. In cases of ill health, there is no lower age limit at all.

There are two important conditions – to draw benefits before age 65 the employee must have at least 2 years membership, or have brought in a transfer from another pension scheme. In addition, retirement before the age of 60 requires CHS' approval.

If an employee chooses to retire before age 65 their benefits may be reduced to take account of them being paid for longer. How much their benefits are reduced depends on how early they draw their benefits. Some staff who were in the LGPS on 30 November 2006, could be protected from the reduction.

Early retirement through efficiency

If CHS agrees to retirement on the interests of efficiency and they meet the age criteria above, the benefits are payable immediately without reduction.

CHS may also enhance the benefits at their discretion.

Currently if an employee retires early before age 55, the pension is normally paid at a flat rate until age 55, when it will be increased to the level it would have been, had it been increased by the rise in the cost of living every year since your early retirement.

Flexible retirement

CHS may consider approving flexible retirement to cope with organisational change. Flexible retirement would be available to staff on or after age 50 with CHS's consent. It allows the member of staff to reduce their hours or move to a less senior position and draw their pension benefits they have built up - helping them ease into retirement.

The member of staff can still receive their salary from their job on the reduced hours or grade and continue paying into the LGPS, building up further benefits in the Scheme.

If the staff member takes flexible retirement before age 65 their pension benefits may be reduced to take account of being paid a salary for longer. How much their benefits are reduced depends on how early they draw their benefits.

If the staff member joined the LGPS after 30 November 2006 and takes flexible retirement before age 65, their benefits will be reduced. If they were paying into the LGPS on 30 November 2006 some or all of their benefits paid early could be protected from the reduction. CHS may, however, determine not to apply all or part of any reduction.

Voluntary Redundancy

Staff who are accepted for voluntary redundancy may in addition to their statutory redundancy payments receive an ex-gratia pay in lieu of notice.

Statutory redundancy payment due to each employee depends on his or her age and length of service (up to twenty years). This determines the number of weeks pay due, which is then subject to a limit on weekly pay.

To calculate the number of weeks pay due, you should use the following amounts:

- 0.5 week's pay for each full year of service where age during year less than 22
- 1.0 week's pay for each full year of service where age during year is 22 or above, but less than 41
- 1.5 weeks' pay for each full year of service where age during year is 41+

A Weeks Pay

Actual pay will be used in the calculation of redundancy payments. i.e. (Annual Salary/52)

Calculating Continuous Service

For the purposes of redundancy payment a period of continuous service begins on the date an employee commenced employment with CHS.

Tax and NI implications

As long as it is not more than £30,000 and is only made up of the redundancy payment, redundancy pay is not taxable. Further information can be obtained from CHS' Finance Team or the Inland Revenue.

Appendix 2

THE TRANSFER OF UNDERTAKINGS (PROTECTION OF EMPLOYMENT) REGULATIONS (TUPE)

CHS may be covered by TUPE regulations as a result of changes proposed to the Children's Hearing System.For more information on TUPE please see the following websites:

<http://www.berr.gov.uk/whatwedo/employment/trade-union-rights/tupe/page16289.html>

<http://www.acas.org.uk/index.aspx?articleid=1655>