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Organisational Change Policy and Procedure

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Type of document	Policy
Target audience	All CWP staff
Document purpose	<p>Staff in the NHS work in an increasingly complex and ever changing environment which requires services and teams to adapt and change to meet the needs of the populations they serve. In addition, in order to ensure change is implemented in a consistent, fair and quality way CWP needs to have a robust policy and associated procedures that sets out practices for managing and supporting staff through change; irrespective of the scale of each individual change programme.</p> <p>This policy sets out the framework within which CWP managers will undertake organisational change.</p>

Approving meeting	People and Organisational Development Sub Committee	Nov 2018
Implementation date	January 2019	

CWP documents to be read in conjunction with	
HR3.9	Pay Protection Policy
HR3.1	Employee Relations Partnership Agreement
HR3.4	Grievance policy and procedure

Document change history	
What is different?	<ul style="list-style-type: none"> Name of policy updated from Management of change policy and procedure (<i>incorporating procedures for redeployment and selection for redundancy</i>). Content refreshed. Includes a change to length of trial periods to bring in line with ACAS Code of Practice and clarification on fixed term contracts.
Appendices / electronic forms	No
What is the impact of change?	See above

Training requirements	Yes - Training requirements for this policy are in accordance with the CWP Training Needs Analysis (TNA) with Education CWP.
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Document consultation	
Clinical Services	Consultation via People and Organisational Development Sub Committee
Corporate services	Consultation via People and Organisational Development Sub Committee
External agencies	Consultation via People and Organisational Development Sub Committee

Financial resource	None
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implications	
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External references
1. ACAS Codes of Practice

Equality Impact Assessment (EIA) - Initial assessment	Yes/No	Comments
Does this document affect one group less or more favourably than another on the basis of:		
- Race	No	
- Ethnic origins (including gypsies and travellers)	No	
- Nationality	No	
- Gender	No	
- Culture	No	
- Religion or belief	No	
- Sexual orientation including lesbian, gay and bisexual people	No	
- Age	No	
- Disability - learning disabilities, physical disability, sensory impairment and mental health problems	No	
Is there any evidence that some groups are affected differently?	No	
If you have identified potential discrimination, are there any exceptions valid, legal and/or justifiable? N/A		
Is the impact of the document likely to be negative?	No	
- If so can the impact be avoided?	N/A	
- What alternatives are there to achieving the document without the impact?	N/A	
- Can we reduce the impact by taking different action?	N/A	
Where an adverse or negative impact on equality group(s) has been identified during the initial screening process a full EIA assessment should be conducted.		
If you have identified a potential discriminatory impact of this procedural document, please refer it to the human resource department together with any suggestions as to the action required to avoid / reduce this impact. For advice in respect of answering the above questions, please contact the human resource department.		
Was a full impact assessment required?	No	
What is the level of impact?	Low	

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1. Introduction

Cheshire and Wirral Partnership NHS Foundation Trust (CWP) strives to be a model employer and is committed to providing as secure an employment environment as possible through effective service design and delivery and workforce planning.

CWP also has a responsibility to provide the best possible care to the population we serve within its existing resources and in order to do this, it may be necessary to review staffing levels, structures, job roles and ways of working in order to meet changing needs.

The purpose of this policy and procedure is to set out CWP's approach to implementing organisational change and the process to be followed ensuring a fair and consistent approach irrespective of the scale of the change and in a way which reflects the person-centred values held by the Trust.

Any changes that affect staff will be conducted in accordance with this policy and procedure. It aims to provide common understanding for managers, staff, and staff-side organisations as to how CWP endeavours to implement changes efficiently and in a way that supports affected individuals. It incorporates the legal requirements and best practice to be followed by managers and clinical leaders when implementing organisational changes.

2. Principles of this policy

CWP's values and person-centred framework underpins all workforce policies, and in addition managers and clinical leaders will seek to ensure that the following principles are adhered to:

- Organisational change is driven by the business and service needs;
- The principles of partnership working, especially in terms of meaningful consultation with recognised trades unions and professional bodies, are reflected in each change programme;
- During any change programme, CWP will ensure that the requirements of employment legislation are met;
- CWP will allow sufficient time for meaningful consultation with staff and their representatives, ensuring that staff side are briefed at the earliest opportunity;
- Each change programme is completed as quickly as is reasonably practicable;
- Engagement and communications with staff directly affected by the change are timely, and give clear reasons for the change and the impact of each change programme including the impact on their job role and personal terms and conditions of employment;
- Each change programme is supported by a business case / consultation document which sets out the 'why, what and when';
- Staff will be offered, where appropriate, support to help them develop any new skills required, and/or identifying new career opportunities;
- Staff are entitled to seek support and advice from staff-side representatives; In addition staff will have access to CWP's Workforce Wellbeing Service and change support workshops, as appropriate;
- The Trust will take all reasonable practical steps to avoid compulsory redundancies. However, where these are inevitable, redundancies will be managed in a fair, consistent and sympathetic manner and support offered to affected individuals throughout the process.

3. Definition

The aim of any change must be to ensure that services are as efficient as possible and enable the Trust to provide the best possible care to the population we serve

Organisational change can be small or large scale. Examples of organisational change include:

- Reorganisation / restructure;
- Competitive tendering or outsourcing;
- Expansion of services;
- Major changes to working practices;
- Decommissioning or reduction of services;
- Mergers and acquisitions;
- TUPE transfers ('in to' or 'out of' the organisation);
- Any situation that may result in a reduction in posts / redundancy;
- Changes to terms and conditions of employment (e.g. hours of work);
- Changes to job roles and responsibilities;
- Minor changes to working practices (e.g., paper-based system to electronic);
- Line management arrangements;
- Change to work base / relocation.

The examples outlined will have varying degrees of complexity in relation to the impact on employees and how the organisation delivers its services.

4. Managing organisational change

Depending on the circumstances surrounding organisational change, different levels of formality may be appropriate. This section provides guidance to managers who are responsible for ensuring that any organisational change takes place in accordance with this policy and follows a fair and consistent application.

Significant organisational changes may require a 'public consultation' prior to them being agreed and implemented. In this situation, the public consultation will need to be concluded prior to commencement of any formal staff consultation.

Whatever the level of change being implemented, clear communications and discussion with affected staff and staff side colleagues should take place providing information in an open and honest way. Managers have responsibility to ensure these opportunities are provided and must remember to include employees that are affected but not in work i.e. On secondment, maternity leave or on long-term sick leave.

In situations where the change is small-scale and / or the impact is minimal, a less formal approach may be appropriate and the communication process may take the form of a team meeting or individual 121 meeting, ensuring that any changes which are mutually agreed are documented.

Consideration will need to be given to the impact organisational change may have on staff with personal commitments e.g. Childcare arrangements; carer responsibilities and for employees who may have a medical condition identified by the Equality Act. In these circumstances it may be necessary to consider making reasonable adjustments. Advice regarding the requirement to make such adjustments may be obtained from your HR representative, Equality and Diversity Lead or Workforce Wellbeing Service.

Where an employee is unable to adapt to the changes due to their personal commitments, consideration should be given to the employee's ability to fulfil the requirements of the role / service and whether redeployment is a suitable alternative. Where redeployment is identified as a suitable alternative, the process to be followed is set out in [section 8](#).

Managers may need to review and amend job descriptions and person specifications where the organisational changes will impact on duties and responsibilities. This should be done in consultation with affected individuals. The revised job description/s should be forwarded to the HR department in order to be formally job matched / evaluated following the Agenda for Change process and included in the business case and/ or consultation document.

5. Informal staff and staff side engagement

CWP is committed to listening and responding to staff views in relation to organisational change and recognise that staff can make a valuable contribution to the process. All staff should have an opportunity to be involved and put forward their comments on ways to deliver better services for our service users and their carers. The views of staff, where possible should help shape the consultation document.

Where there is a requirement to restructure or make changes to a service, it will be necessary to engage with staff at the earliest opportunity, highlighting the impact it will have on them and providing opportunities to discuss any issues and/or concerns.

Managers also need to inform and have early and open conversations with staff side representatives so they understand the proposed changes and are better able to support staff.

Managers need to think about effective communications methods which may mean utilising existing team meetings, setting up open-forum events, issuing briefings or newsletters etc. The Communications Team will provide support in developing a communications strategy for larger scale or more complex organisational changes.

6. Procedural steps to follow

- **Step 1**

Business case

The manager responsible for the organisational change must prepare a fully costed business case for consideration by senior management, or in the case of major organisational change, by an appointed approving committee. The business case should outline the proposed changes and set out a timeframe for the implementation plan. A senior manager will then be responsible for approving the change and overseeing the process in accordance with this policy.

An Equality Impact Assessment (EIA) will be required and appended to the business case.

The manager leading the change process will be required to provide periodic updates for consideration highlighting any risks and / or successes of the change to the senior manager/ approving committee, as appropriate.

Where the proposals may result in a redundancy situation for 20 or more employees, endorsement is required by the Trust Board and the legal requirements regarding collective consultation apply. The ACAS booklet on handling large-scale redundancies should be referred to in these situations.

In addition, where a proposal may result in 20 or more staff being made redundant from one establishment there is a legal duty to notify the Secretary of State for Business, Innovation and Skills (BIS) in writing – the HR department holds this responsibility.

- **Step 2**

Consultation document

Managers should prepare a consultation document which sets out the proposed changes, timescales and processes to be followed.

The manager should take into consideration the requirement to complete the change in a timely manner alongside minimal disruption to services and minimise any negative impact on staff and service users.

Some changes may be imposed on CWP that cannot be influenced by staff (e.g. Cessation of funding for a service). This should be clearly stated in the consultation document so that staff know which aspects of the change they may be able to influence or otherwise.

Any newly-created posts will require preparation of job descriptions / person specifications to be submitted through the appropriate job evaluation process. These documents should be appended to the business case and/or consultation document.

- **Step 3**

Consultation with recognised trade unions

In line with CWP's Partnership Agreement consultation will take place with staff side colleagues regarding organisational change which affects staff either directly or indirectly and regardless of the scale of the proposed changes. This should be done in a way that is as open as possible to avoid hindrance to the progress of effective consultation.

The consultation document should be shared with appropriate Trade Union representatives for comment where appropriate, prior to commencement of consultation with staff.

Where it is identified that there is likely to be more employees than posts, consultation will take place to consider what measures can be taken to avoid compulsory redundancy. Measures may include:

- A review of additional hours being worked and the use of contract staff (i.e., 'bank', agency, locum staff)
- Vacancy control and restrictions on recruitment
- Possibility of redeploying and / or retraining those affected.
- Offering voluntary redundancy

Managers should commence consultation as early as practicable and at a point where the aims of the organisational change are clear to enable meaningful consultation to take place.

Employment legislation sets out when formal collective consultation must commence where the changes may result in job losses. Depending on the number of proposed redundancy dismissals this must be done in the following consultation timescales:

- At least 30 days before the first dismissal where the Trust proposes to dismiss 20 to 99 employees in a 90 day period;
- At least 45 days before the first dismissal where the Trust proposes to dismiss 100 or more employees in a 90-day period.

However, the duration of the consultation period may vary depending on the circumstances and can be a speedier or lengthier process depending on the number of people involved and the complexity of the situation. Advice should be sought from the HR Department.

Effective consultation can follow various formats and the most suitable process should be established in liaison with HR.

- **Step 4**

Pay - Formal staff consultation

The manager should arrange a meeting with all affected staff to inform them of the proposed changes and provide them with a copy of the consultation document detailing the management proposal. Where the proposals identify specific staff to be at risk of redundancy they should be contacted individually and their situation explained prior to any staff meeting or sharing of the consultation document more widely. The manager must also make arrangements to communicate with affected individuals absent due to sickness; maternity; career breaks etc.

The proposal should be fully explained at the meeting – it's an information-giving exercise and staff and their representatives will not be required to give feedback at this point. However, any points for clarification should be addressed.

Employee feedback or counter-proposals should be provided to the manager in writing within an established timeframe. Feedback can be from an individual, group or staff-side representative. The manager should seek to respond to points of clarification and further information as quickly as possible. However, where a member of staff provides an alternative proposal, these will be considered during the consultation period and a decision made as to the viability / feasibility. If necessary the consultation period may be extended or paused to allow time for more detailed exploration.

Having considered any feedback / counter-proposals, the manager will invite staff and staff-side representatives to a meeting to inform them of the proposed way forward and address all feedback / counter-proposals received. Records should be kept of all feedback/counter-proposals received and made available to staff.

A final management proposal will be issued to staff and staff-side representatives if any changes have been made to the original proposals. If necessary, further meetings may be arranged with staff and staff-side representatives to clarify any outstanding issues, prior to the consultation period closing. Written records should be maintained by the manager in the event of clarification being required at some future date.

- **Step 5**

Individual meetings with staff

The timing of individual consultation can vary but in most situations individual consultation can run concurrently with [Steps 3 & 4](#). Managers should seek advice from their HR Representative.

Where organisational changes affect an individual they should be offered the opportunity to attend a one-to-one meeting with a manager. The purpose and aims of the meeting are to:-

- Ensure the individual is informed of the changes and understands how the change affects them;
- Discuss any areas of concern or issues including their individual ability to adapt to the changes;

- Allow them to express their thoughts and views;
- Identify and discuss options or preferences available to them in relation to future employment;
- Explain any processes and timescales that will be followed – for example ‘slotting-in’ and/or selection process.

Invitations to the meeting should be in writing explaining the purpose; advising of the right to be accompanied by a work-place colleague or staff-side representative; outlining what’s expected; and to include a one-to-one form which staff may complete prior to the meeting, enabling them to capture the points they wish to raise and facilitate the discussion. A copy of the one-to-one form should be provided to the individual following the meeting.

A one-to-one meeting is not compulsory, although recommended, as an opportunity to discuss any aspect of the organisational change in a confidential environment. If an individual does not wish to meet, it will be documented that they have chosen to decline this opportunity.

- **Step 6**

Appointments process

When the period of consultation has concluded the appointments process will commence and where necessary redundancy notices issued.

Slotting-in

Where there is no requirement to reduce staff numbers and / or where the substantive duties, salary band, hours of work, and other terms and conditions of employment of the post-holder are wholly or mainly the same, then staff are entitled to that post and may be ‘slotted-in’ to the new structure, providing that the number of staff is equal to, or less than, the number of posts available and subject to consultation by management.

If an individual’s duties are split across two posts of the same salary band, then the individual will be asked to identify their preference and the line manager will be required to make a decision as to which post they will be slotted-in to.

The process of slotting-in individuals into posts will be supported by the information gathered at the one-to-one meetings. The slotting-in process will be a joint exercise between the manager and HR representative, including staff side where appropriate. The final decisions rests with the line manager following conclusion of the consultation and after consideration of any comments or proposals made.

Staff should be informed in writing of the outcome of the slotting in.

Ring-fencing

Ring-fencing is when the availability of a vacancy is limited to a number of defined individuals who are directly affected by the organisational change. It is necessary when the existing post(s) no longer exist and new post(s) are different and where judgement is made about whether existing staff can undertake the new role(s). It may also be used when the content of the post remains the same but the number of posts available is less than the number of staff displaced and at risk of redundancy.

Ring-fencing should include all directly affected staff experienced in most elements of the new post(s). It is essential to prepare relevant criteria and competences for the post which must be demonstrated in the selection process. The selection process must be structured in order to

measure whether the individual meets the criteria and should include an interview process. Written records must be kept.

New or vacant posts will initially be ring-fenced to directly affected staff. If posts remain unfilled they will be made available to other employees identified at risk.

Where a vacancy remains unfilled by any at risk employees, normal competition for posts will apply in accordance with the Trust's recruitment processes.

7. Organisational change resulting in redundancy

Where employees undertake work of a particular type and the requirement for that work has, or will, cease, those employees will be at risk of redundancy as their jobs will no longer exist.

Employees will be given notice of redundancy once the consultation period has concluded. The HR Department will provide advice and support in respect of all redundancy situations.

Employees who are pregnant or on maternity leave

Where an employee is on maternity leave and is displaced, they have a statutory right to be protected and return to a post, where available. Employees on maternity leave will be prioritised in accordance with their protected status under the Equality Act and given priority when a suitable alternative post becomes available.

- An employee absent from work on maternity leave must be consulted with – failure to consult in this situation is likely to be unlawful discrimination;
- In a redundancy situation, a suitable alternative post should be offered to the employee before it is offered to any other employee if a position is available – the employee does not have to apply for it.
- If an interview or assessment process is required, reasonable steps should be taken i.e. Ensure the individual is aware of developments at work; given sufficient notice.

Voluntary Redundancy

The Trust may invite volunteers for redundancy. Normally only employees in the group at risk of redundancy will be issued with letters asking for an expression of interest, which will be addressed without prejudice.

Applications may not necessarily be accepted as each request will be assessed against cost, and value, where the individual possesses particular skills and abilities crucial to service delivery.

Applications for voluntary redundancy will be considered by a Severance Panel and will need to be supported by a business case provided by the manager. Severance Panels are planned throughout the year and the dates of panels can be obtained from the PA to the Director or People and OD Services.

Compulsory Redundancy

In a situation of compulsory redundancy, a meeting will be held between the employee, manager, and an appropriate HR representative, once the formal consultation period has ended. The employee has the right to have a Trade Union representative or work colleague present.

The purpose of the meeting is to;

- Inform the employee that they are formally at risk of redundancy;
- Give them appropriate statutory and contractual notice for their redundancy dismissal;

- Inform the employee of their redundancy payment;
- Advise the employee of the process for redeployment and sourcing of suitable alternative employment;
- Discuss any other matters and any further support the employee may need.

This information must be confirmed in writing in a timely manner.

If appropriate, further follow-up meetings may be arranged to support the ongoing search for redeployment and to consider any issues raised by the employee relating to their selection for redundancy.

The manager will be responsible for completing the 'leaver form' to ensure prompt payment of redundancy and / or pension entitlements.

Employees in a redundancy situation are entitled to reasonable time off with pay to seek alternative employment either internal or external to the organisation.

Compulsory redundancy will be considered by a Severance Panel and will need to be supported by a business case provided by the manager before any payments are made.

Redundancy Pay

Redundancy payments will be calculated in accordance with the NHS Terms and Conditions of Service or in line with an individual's contractual terms and conditions.

Employees are not entitled to receive a redundancy payment if;

- They are dismissed for reasons of misconduct, with or without notice, OR;
- At the date of termination of contract, have obtained suitable alternative employment with the same, or another NHS employer, either without a break, or with a break not exceeding four weeks, OR;
- Unreasonably refuse to accept or apply for suitable alternative employment with the same or another NHS employer, OR;
- Leave their employment before expiry of notice, unless they are being released early, OR;
- Are offered a renewal of contract where the employment is transferred to another public service employer who is not an NHS employer (with the substitution of the new employer for the previous one).

8. Redeployment

Where staff are displaced and at risk of redundancy the Trust will endeavour to source suitable alternative employment within the organisation to avoid redundancy wherever possible. The member of staff will be placed on the Redeployment Register held in People and OD Services as soon as they are placed at risk of redundancy for the period of their notice.* If a suitable alternative is identified during the notice period it may be taken up immediately by mutual agreement, immediately after the end of the old job or after an interval of not more than four weeks, however, the offer must be made before the employment under the previous contract ends in order to avoid the need to make a redundancy payment.

The member of staff is entitled to a trial period of four weeks (extendable by agreement where training is involved) and where the role is different from the original role.

The effect of the trial period is to give both the employer and the member of staff a chance to decide whether the new job is suitable. The member of staff may lose the right to a redundancy payment if they unreasonably turn down an offer of suitable alternative employment.

HR will provide details of how to enter staff details onto the Redeployment Register.

**During the consultation period, if it is determined that an individual or group of staff could be at risk of redundancy as a potential outcome of the consultation, steps will be taken to identify suitable vacancies during this stage and those vacancies may be held until such time it is confirmed whether the staff are formally at risk.*

9. Protection of pay

In situations where employees are redeployed into a post of a lower salary band as a result of restructuring, protection of their previous pay applies – this is explained in the Trust's Pay Protection Policies.

10. Secondment arrangements

Where an employee is seconded to another organisation and their post is subject to organisational change they must be included in the consultation process. If they are identified for redeployment, the salary banding and terms and conditions of service of their substantive post will be used to determine offers of suitable alternative employment, should they be unable to return to their substantive post.

11. Fixed term contract

Fixed term employees working in areas undergoing organisational change will be consulted on an individual basis about their eligibility to be considered for posts included in the organisational change. Where staff have a permanent substantive post elsewhere in CWP they will normally be expected to return to their substantive post. If their substantive post is affected by the changes then they will be considered in line with the processes set out in this policy and procedure.

Fixed term employees who do not have a substantive post have the right to be consulted and included in the organisational change process. They may also be entitled to a redundancy payment should the post they were appointed to no longer exist and they have the requisite qualifying service. Advice should be sought from HR before any fixed terms are not renewed.

12. The wellbeing of staff

Individuals affected by change may require additional emotional or practical support both during the consultation / change process and during implementation. Managers are required to work proactively with colleagues in People & OD Services, and Education CWP to ensure appropriate support is made available to staff during and post change.

13. Appeals procedure

An employee has the right of appeal against a personal slotting-in / assimilation decision and in these circumstances the Trust's [grievance policy and procedure](#) should be followed.

If an employee feels they have been unfairly selected for redundancy, they may appeal the decision by evoking the [grievance policy and procedure](#).