

Organisational Change

1 Purpose

- 1.1 This Policy sets out Healthwatch Worcestershire approach to handling organisational changes, including organisational restructure due to changes in operational priorities, demand for services, the need to improve efficiency or reduce costs.
- 1.2 The aims of the policy are to ensure that organisational change is managed in a structured and consistent way, that uncertainty about future employment is minimised and that individuals are treated fairly in accordance with their employment rights.
- 1.3 This policy applies to all employees, including those on fixed term contracts where the reason for dismissal (non renewal of the contract) is redundancy.
- 1.4 The policy follows ACAS guidance and statutory law.

2 Principles

- 2.1 Healthwatch Worcestershire management recognise their responsibility for deciding the size and most efficient use of the workforce and of balancing long term performance with short term operational needs.
- 2.2 Healthwatch Worcestershire management are committed to meaningful engagement and consultation with staff and ensuring that all decisions are based on the best information available. Therefore, when organisational changes are being considered, management will consult with those affected at the earliest possible opportunity providing genuine opportunity for staff to express their views and offer their valuable insight.
- 2.3 The Board will give genuine consideration to all options before final decisions are made.
- 2.4 Redundancies will only be proposed where the definition of redundancy is met. The statutory definition of redundancy (Employment Rights Act 1996) is:
 - the employer has ceased, or intends to cease, either to carry on the business for the purpose of which the employee was employed, or to carry on the business in the place where the employee was employed; or
 - the requirements of that business either for employees to carry out work of a particular kind, or at a particular place, have ceased or diminished, or are expected to cease or diminish.

2.5 Healthwatch Worcestershire will endeavour to avoid or reduce redundancies wherever possible by:

- managing natural wastage;
- restrictions on recruitment;
- reductions in overtime;
- reviewing the use of temporary, Agency, contract or casual staff;
- seeking requests for voluntary redundancy or early retirement from those carrying out similar work.

2.6 Healthwatch Worcestershire will provide opportunity for staff to be redeployed where possible and will consider what reasonable training can be provided to upskill staff to meet the essential requirements of newly created or vacant roles.

3 Fairness

3.1 All processes will be fair, objective and laid out in advance.

3.2 Where redundancies are a likely outcome, individuals will be invited to be accompanied by a trade union representative or colleague during meetings.

4 Audit and Review

4.1 A review of this policy will take place annually unless legal, contractual, specific business requirements, operational changes or events necessitate an earlier review.

4.2 This policy will be subject to Equality Impact Assessment under the Public Sector Equality Duty Act 2010.

Organisational Change Procedure

1 Initial Consultation

- 1.1 Where changes are being contemplated, consideration will be given to the impact on current staff.
- 1.2 Those staff likely to be impacted by the proposed changes will be consulted at the earliest possible opportunity, providing genuine opportunity for them to challenge, ask questions, express their views and offer input before decisions are made. Their feedback will be noted and given due consideration as part of the decision making process.
- 1.3 The Board of Directors will be updated on staff views before decisions are finalised and proposals signed-off.
- 1.4 Where a reduction in numbers employed is proposed, the Board will give consideration to whether a redundancy situation is likely to occur and will evaluate numbers, costs and means of avoiding or reducing redundancies.

2 Redundancy Consultation

- 2.1 Where redundancies are proposed, formal consultation will begin in good time, ie as soon as is reasonably practicable.
- 2.2 Individuals (and their representatives where applicable) will be provided with the following information:
 - the reasons for the proposed redundancies;
 - the numbers and descriptions (roles) of individuals who may be redundant and the total number of employees in such roles;
 - the proposed method of selection for redundancy;
 - the proposed method of carrying out any redundancy dismissals, including the period over which the dismissals are to take effect;
 - how redundancy payments will be calculated.
- 2.3 The purpose of consultation will be to:
 - consider the views of individuals affected and any alternative proposals put forward;
 - avoid the need for redundancies or reduce the number of employees who are to be made redundant;
 - determine the criteria to be used for selection;
 - reach agreement, where possible, on the above issues.

3 Selection for Redundancy

- 3.1 Selection criteria will be applied in a reasonable, fair and objective manner but with the aim of meeting future organisational needs. This means that a 'one size fits all' approach is unlikely to be appropriate and different selection criteria may be applied on different occasions. Where a reduction in numbers is proposed, a 'selection pool' will be drawn up of those with similar roles which may be considered interchangeable.
- 3.2 As part of consultation, individuals will have the opportunity to challenge the composition of any 'selection pool' as to which roles are included (and therefore become 'at risk') and which roles are 'safe' outside the pool.
- 3.3 Where selection is from a 'selection pool', wherever possible a Selection Matrix will be drawn up which assesses individuals based on more than one element. This may include length of service, attendance, disciplinary record, etc as well as performance criteria (either a 'desk top' rating or using an interview or other selection test).
- 3.4 Where an individual is selected for redundancy, whether from a pool of one (ie they are the only person carrying out the role proposed to be deleted) or following a selection process involving more than one person, they will have the right to appeal against their selection before the decision is ratified.
- 3.5 Where following a selection exercise, an employee has been identified as 'preferred candidate', they will be advised but no formal offer will be made or further action taken pending appeal against redundancy from de-selected candidates.

4 'Voluntary' Redundancy and Early Retirement

- 4.1 In some circumstances, individuals holding similar roles to those at risk may make a request during the consultation period to be considered for redundancy or early retirement. Such requests will be given due consideration by the Board where they would reduce the numbers of compulsory redundancies and provide financial savings for the organisation. However, this does not assume that requests will be supported.

5 Confirmation of redundancy

- 5.1 No notice of redundancy will be issued until consultation has been completed and any appeal process concluded.
- 5.2 A letter will be issued to the identified employee, proposing them as redundant and inviting them to a meeting to discuss further. The employee has the right to be accompanied by a trade union representative or colleague.
- 5.3 At the meeting the employee will be notified of the decision and the right to appeal. They may request a copy of any Selection Matrix completed in

relation to them so they can consider the scores awarded; they will not have the right to see Selection Matrixes completed in relation to colleagues but it may be considered fair to advise them of other scores (where appropriate redacting individual colleague's names). They will be given a period of 5 calendar days from the date of the meeting to appeal in writing to the Chairman.

- 5.4 An appeal meeting will be held as soon as practicable and the individual will be given opportunity to present their case; again, the employee has the right to be accompanied by a trade union representative or colleague. The Chairman's decision is final.
- 5.5 Following the appeal (or after 5 days has elapsed and no appeal has been submitted), notice of redundancy will be issued.
- 5.6 The redundancy letter will include:
- the date of redundancy;
 - details of the calculation of redundancy pay;
 - arrangements for outstanding annual leave;
 - the right to reasonable time off to seek other work;
 - any outplacement support that can be provided.

6 Redeployment

- 6.1 Redeployment opportunities will be sought throughout the individual's contractual notice period. Healthwatch Worcestershire will identify any vacancies to redundant employees as a potential alternative to redundancy.
- 6.2 Staff will be considered for redeployment where they can demonstrate that they meet the essential criteria for the post or could do so following reasonable training. This will usually be posts at the same level or lower level and may be full time or part time hours.
- NB Staff may apply for a higher level vacancy where available (ie promotion), but can expect to compete against internal and external candidates as detailed in the Recruitment and Selection policy and procedures.
- 6.3 Any offer of an alternative post will be subject to the completion of a 4-week trial period to assess mutual suitability. The trial period may exceptionally be extended by mutual agreement where special training is required; the individual works part-time or is absent from work for an extended period due to sickness or pre-booked leave.
- 6.4 Where an individual refuses a reasonable offer of suitable alternative employment, he/she will lose any entitlement to redundancy pay.

7 **Redeployment Terms**

- 7.1 The appointee will be paid the rate for the job having given due regard to their relevant experience.
- 7.2 Where an employee's post is redundant and they are redeployed to an alternative post on a lower rate of pay, they will be eligible for salary protection for a period of 1 year. This will be the lesser of
- their existing pay point
 - the maximum pay point of the new grade plus 10%

During the 1 year protection period the individual will not be eligible for any pay increases (general or individual).

At the end of the protection period the individual's salary will reduce to the maximum pay point of the redeployment post and annual pay award increases (where applicable) will recommence.

8 **Redundancy**

- 7.1 Where no suitable alternative post can be identified, the individual's contract of employment will be terminated on grounds of redundancy.
- 7.2 Redundancy payments will be paid in line with statutory entitlements. The rules currently in application are:

0.5 week's pay for each full year under age 22
1 week's pay for each full year over 22, but under 41
1.5 week's pay for each full year over 41

NB Length of service is capped at 20 years, so any years over and above 20 are not counted.

A week's pay is the employee's normal 'average' week's gross (before tax) pay. The statutory cap on a week's pay is currently £525 per week (April 2019).

See Appendix 1 for the Redundancy Pay Calculator.

9 **Assistance with looking for other work**

- 8.1 Employees who are under notice of redundancy are entitled to reasonable time off with pay to look for other work. Healthwatch Worcestershire reserve the right to ask for evidence of interviews, appointments, etc.
- 8.2 Dependent upon resources available, Healthwatch Worcestershire will consider what outplacement support can reasonably be provided, eg help with CV writing, interview skills, etc.

8.3 For redundant employees, a 'To whom it may concern' reference will be provided in addition to the normal response to reference requests.

APPENDIX 1 - REDUNDANCY PAY CALCULATOR

To calculate the number of weeks pay due, identify age and length of service at the termination date. Multiply the corresponding figure with the employee's actual weekly pay.

Age	Completed years of reckonable service																			
	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
18	1																			
19	1	1.5																		
20	1	1.5	2																	
21	1	1.5	2	2.5																
22	1	1.5	2	2.5	3															
23	1.5	2	2.5	3	3.5	4														
24	2	2.5	3	3.5	4	4.5	5													
25	2	3	3.5	4	4.5	5	5.5	6												
26	2	3	4	4.5	5	5.5	6	6.5	7											
27	2	3	4	5	5.5	6	6.5	7	7.5	8										
28	2	3	4	5	6	6.5	7	7.5	8	8.5	9									
29	2	3	4	5	6	7	7.5	8	8.5	9	9.5	10								
30	2	3	4	5	6	7	8	8.5	9	9.5	10	10.5	11							
31	2	3	4	5	6	7	8	9	9.5	10	10.5	11	11.5	12						
32	2	3	4	5	6	7	8	9	10	10.5	11	11.5	12	12.5	13					
33	2	3	4	5	6	7	8	9	10	11	11.5	12	12.5	13	13.5	14				
34	2	3	4	5	6	7	8	9	10	11	12	12.5	13	13.5	14	14.5	15			
35	2	3	4	5	6	7	8	9	10	11	12	13	13.5	14	14.5	15	15.5	16		
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14.5	15	15.5	16	16.5	17	
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15.5	16	16.5	17	17.5	
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16.5	17	17.5	18	
39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17.5	18	18.5	
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18.5	19	
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19.5	
42	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	11.5	12.5	13.5	14.5	15.5	16.5	17.5	18.5	19.5	20.5	
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
44	3	4.5	5.5	6.5	7.5	8.5	9.5	10.5	11.5	12.5	13.5	14.5	15.5	16.5	17.5	18.5	19.5	20.5	21.5	
45	3	4.5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	
46	3	4.5	6	7.5	8.5	9.5	10.5	11.5	12.5	13.5	14.5	15.5	16.5	17.5	18.5	19.5	20.5	21.5	22.5	
47	3	4.5	6	7.5	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	
48	3	4.5	6	7.5	9	10.5	11.5	12.5	13.5	14.5	15.5	16.5	17.5	18.5	19.5	20.5	21.5	22.5	23.5	
49	3	4.5	6	7.5	9	10.5	12	13	14	15	16	17	18	19	20	21	22	23	24	
50	3	4.5	6	7.5	9	10.5	12	13.5	14.5	15.5	16.5	17.5	18.5	19.5	20.5	21.5	22.5	23.5	24.5	
51	3	4.5	6	7.5	9	10.5	12	13.5	15	16	17	18	19	20	21	22	23	24	25	
52	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	17.5	18.5	19.5	20.5	21.5	22.5	23.5	24.5	25.5	
53	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19	20	21	22	23	24	25	26	
54	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	20.5	21.5	22.5	23.5	24.5	25.5	26.5	
55	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22	23	24	25	26	27	
56	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	23.5	24.5	25.5	26.5	27.5	
57	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	25	26	27	28	
58	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	25.5	26.5	27.5	28.5	
59	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	25.5	27	28	29	
60	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	25.5	27	28.5	29.5	
61+	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	25.5	27	28.5	30	