

Somerset Council

Key Principles of Organisational Change

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Organisational Change Principles and Approach

1. Introduction

- The principles described in this document have been developed to underpin change and consultation processes, as we merge five councils into one. They follow extensive consultation and conversations with trade unions, chief executives, HR staff, politicians and leadership teams and will apply to all posts impacted by the creation of Somerset Council.
- These principles are presented in recognition that organisational change is essential to the delivery of a successful Somerset Council and will be key to improving services and reducing costs. It is recognised that they need to be both legally compliant and handled appropriately to avoid damage to morale and motivation among employees, with the resulting negative consequences for service standards.
- Therefore, these principles aim to ensure that organisational change is conducted through fair, non-discriminatory and consistent procedures that put communication with employees, listening to employees concerns and addressing those concerns at the heart of the process.
- The principles will be established in consultation with our recognised Trade Unions and other key stakeholders.
- Underpinning the principles set out below, the resulting processes will be implemented with a commitment to transparency, appropriate and timely sharing of information and good employee relations / partnership working.
- There is a desire to avoid the need for compulsory redundancies wherever possible. Voluntary redundancies may be sought or requested prior to Vesting Day and consideration will be given to requests for other arrangements, such as early retirement.
- The initial organisation design that will be consulted on will be tier 2 (direct reports of the CEO) and tier 3 (direct reports to typically tier 2 posts) before we move to the other staff groups.
- Information regarding staffing numbers will be as accurate as can be achieved across the five organisations, however will provide for flexibility during the implementation period. This will allow us to adapt to reflect our learning during the different implementation phases. Recognised Trade Unions will be consulted at each phase of organisational design development.
- All new roles will be evaluated using the County Council's existing job evaluation process. Existing roles that continue unchanged after Vesting Day will not routinely be re-evaluated as part of this organisational change.

2. Types of Change

- 2.1. The broad types of change that the Organisational Change Procedure will cover are:
- Creation of a single organisation under the SCO (Structural Changes Order)
 - Recruitment to Tiers 2 & 3 of the Senior Leadership Team
 - Internal restructuring and realignment of services post 1st April 2023

2.2. The key features of organisational change, under these headings, are those that may alter some or all of the following dimensions:

- Organisational structure
- Reporting lines
- Pay or other terms and conditions of service
- Contractual entitlements
- Work patterns
- Work location
- Numbers of posts
- Nature of roles and main responsibilities / duties

3. Equality Considerations

3.1. The move from 5 Somerset Councils to one organisation in April 2023 will have a significant impact, now and beyond, as the Councils transition and transform into one Council. At the present time and based on the principles set out in this document, specific equality impacts are hard to discern. It is nevertheless recognised that during any period of significant change there will likely be equality impacts upon a number of protected characteristics. We recognise that workplace change can cause anxiety and that anxiety levels may be greater amongst some employees who fall with protected characteristic groups.

3.2. As set in 2.2 and the general principles, there are a number of specific factors that will support the transformation to one Council. Individual Equality Impact Assessments will be undertaken against the majority of these and using data and consultation, more in depth analysis of the impacts on the protected characteristics will be undertaken.

4. Restructuring

4.1. General principles

4.1.1. An initial briefing will be held with trade union representatives. The aim will be to brief trade unions a minimum of 3 days prior to speaking with affected staff.

4.1.2. Where individuals may be at risk of redundancy (i.e., where it is proposed to remove their existing role) individual briefings will be held with each individual ahead of any meeting with all affected employees and trade union representatives

4.1.3. A meeting with all affected employees and their trade union representatives will be held at an early stage to enable all to input to the proposals.

4.1.4. The following information will be provided to affected employees and trade union representatives:

- Rationale for change including a business case and Equality Impact Assessment.
- Current and proposed people structure.

- Essential skills and competencies required for the new structure and any likely training requirements.
 - People/person specifications and job descriptions for roles in the new structure.
 - Proposed method by which employees will be selected for posts.
 - The anticipated timeframe for consultation.
 - Feedback methods through the consultation process.
 - Process to be followed once the consultation period concludes.
- 4.1.5. The consultation period will allow employees and their representatives sufficient time to consider the proposals fully.
- 4.1.6. Meetings will be held with employees and their representatives to provide feedback on concerns throughout the change process and facilitate dialogue on solutions to areas of concern. Employees will be given an opportunity to meet with their representatives prior and/or after the meetings.
- 4.1.7. Formal meetings with individual employees over the proposals will allow for the right to be accompanied by a colleague or Trade Union representative throughout the process.
- 4.1.8. For any area subject to restructuring a set of job descriptions for new posts will be available.
- 4.1.9. Posts shall be filled utilising slotting in and ring-fencing (where appropriate) during a first round of selection
- 4.1.10. Eligibility for slotting in and ring-fencing will be based on an individual's substantive post.
- 4.1.11. Slotting-in without the need to go through an application or selection process will apply where there has been no significant change in the duties and responsibilities of a post following restructuring and where the number of posts available is equal to or more than the number of existing post holders in the workplace unit. No significant change is defined as 75% the same job content before and after restructuring. For slotting-in, it needs to be clear that there are no other employees impacted by the restructure that could have a comparable claim on the post, including those who have been displaced from other roles where the post might be deemed to be suitable alternative employment.
- 4.1.12. Ring-fencing of applications for posts in a new structure will apply where the former unit/units contained posts that carried substantially the same duties and responsibilities, but the number of employees exceeds the number of posts available in the new unit. Also, consideration needs to be given as to whether there are other employees impacted by the restructure that could have a claim on the posts.
- The criteria utilised to decide on the application of slotting and ring-fencing procedures for each role will be the subject of consultation with the relevant Trade Unions. The purpose will be to establish fair, objective, consistently applied job related criteria, backed by evidence. The criteria will be non-discriminatory against all characteristics protected under the Equalities Act 2010 and supported by an Equality Impact Assessment.
 - Where ring-fencing is used to fill a post, candidates may need to produce a CV as part of the process.

- 4.1.13. It is possible that a post cannot be filled via a Slotting or Ring-Fencing process, perhaps because there is doubt as to whether any relevant population for ring fencing can be identified fairly. In such cases, the role will be advertised internally across the five councils (the new council from 1st April 2023). Potential candidates will be asked to provide a CV plus a statement setting out how they fit the selection criteria outlined in the person specification.
- 4.1.14. Posts that cannot be filled through internal application will be advertised externally as soon as possible. This may happen whilst a post is being advertised, priority will always be given to staff who are at-risk of redundancy.

4.2. Senior Leadership Team Officers tiers 2 and 3 in the hierarchy

For appointments to Senior Leadership Team Officers, the following approach will be adopted.

- 4.2.1. Appointments to posts that fall within this category will follow the process as specified in Somerset County Council's Constitution and therefore must involve Elected Members and an Appointments Panel & Appointments Committee.
- 4.2.2. The process used for appointments will be decided by the Appointments Panel, which will appoint the Appointments Committee to undertake the appointments process.
- 4.2.3. The ring-fenced population for posts will be decided in consultation with the trade unions and in accordance with these key principles. Establishing the population for ring fencing will include the essential criteria of the role, the individual's skill set match, current role, span of control and position in the existing hierarchy. There may be examples of similar roles sitting in different tiers, in respective organisations, and this process will take account of those.
- 4.2.4. Where an appointment is made prior to any new terms and conditions for Somerset Council coming into force, Somerset County Council terms will be used.
- 4.2.5. 'Slot-ins' will receive their current terms & conditions, although salaries may be reviewed by the chief executive/manager in accordance with existing processes. If the salary for the role is increased following this review (outside of annual cost of living increases), then the postholder will have the option to move to Somerset Council terms & conditions in return for accepting the new salary.
- 4.2.6. Appointments for tiers 2 and 3 will take effect from 1st April 2023 unless agreed between the Chief Executive, designate appointment and the current employing organisation.
- 4.2.7. Those employees who are unsuccessful at their current hierarchical level, will be given the opportunity to apply for vacancies that come available at the next tier below, subject to arrangements reflecting slot-ins or ring-fencing.
- 4.2.8. Chief executives in Somerset local authorities may apply for posts tiers 2 & 3 in the new structure, subject to arrangements reflecting slot-ins or ring-fencing.
- 4.2.9. Should these employees remain unsuccessful at Vesting Day, they will be subject to a redundancy process which will follow processes specified in Somerset Council's Constitution. Typically, this will apply to senior leadership roles and/or redundancy costs that exceed £100k. Redundancy payments will

be in line with their transferring terms & conditions of employment, subject to any agreed changes.

4.2.10. Employees who are issued with notice of redundancy will have the right to appeal against the decision to make them compulsorily redundant.

4.2.11. Appointments processes to tiers 2 & 3 will be supported by a voluntary redundancy programme (the precise details, including the timing and entitlement rules, of which are to be determined), in line with contractual redundancy multipliers.

4.3. All other posts

For all other posts, the selection process and criteria will be the subject of consultation with the recognised Trade Unions. Skill set, essential role criteria, current salary position, current role scope and hierarchical level will be factors in determining the ring-fenced population.

4.3.1. Those employees who are unsuccessful at their current hierarchical level, will be given the opportunity to apply for any vacancies that are available at other tiers, subject to the requirements of processes for slotting-in and ring-fencing and relevant HR policies.

4.3.2. For posts that remain unfilled, priority will be given to applications from employees who are either “at risk” of redundancy or been issued notice of redundancy and who meet the essential criteria of the role or would be able to do so within a reasonable timeframe with suitable training

4.3.3. If a post remains vacant, the post will be advertised internally across the Council. If the post remains vacant after an internal advert, it is possible at this stage to go to external advertisement.

4.3.4. Employees who have been issued with notice of redundancy will have the right to appeal against the decision to make them compulsorily redundant.

5. Redeployment

5.1.1. “At risk” employees will be entitled to consideration for redeployment to suitable alternative employment where they meet all the essential criteria for the post or would be able to do so within a reasonable timeframe with suitable training. If there is more than one “at risk” employee for such a post, then a decision will be made as to who is most suitable as against the criteria for the role.

5.1.2. “At risk” employees will be kept aware of posts which could be considered as suitable alternative employment for an initial period of four weeks, following which progress should be reviewed with the employee and the designated manager.

5.1.3. Where an application is successful, the redeployee will be entitled to a trial period of four weeks following which the redeployment will either be identified as successful, or the redeployee will return to the redundancy process.

5.1.4. During the 4 weeks of the trial period, the redeployee will continue to have their salary and other benefits paid by the “outgoing” service area.

5.1.5. Where redeployment is mutually deemed successful by both parties, this will be confirmed in writing to the redeployee. The employee will then adopt the terms & conditions of their new post, which will include any applicable arrangements for pay protection.

5.1.6. In accordance with the statutory duty, employees on maternity, adoption or shared parental leave will be offered suitable alternative employment, if it is available, without competition. They will be given relevant support where required e.g., training.

6. Avoiding Redundancies

Where redundancies are proposed, compulsory redundancy will always represent a last resort in the process of organisational change.

All options for avoiding compulsory redundancy will be explored, including:

6.1.1. Limiting the refilling of posts on a permanent basis when employees leave the organisation.

6.1.2. Restrictions on recruitment.

6.1.3. Opportunities for secondments across the organisation.

6.1.4. Seeking volunteers for job-share or part-time work.

6.1.5. Retraining existing employees to cover any skills gaps.

6.1.6. Agency resource to cover fluctuations in requirements and to ensure redeployment opportunities are available for permanent staff.

6.1.7. Redeployment of employees, within their contract of employment, to suitable alternative employment.

6.1.8. If appropriate, seeking volunteers for voluntary redundancy or early retirement. This would not be appropriate for example where it is likely others would not be able to be redeployed.

6.1.9. Other cost saving measures that preclude the need for redundancy.

6.1.10. However, where it first becomes apparent that the proposal for restructuring potentially entails compulsory redundancies, consultation shall take place with employees and their representatives that allows genuine and meaningful consideration of ways to avoid redundancy.

6.1.11. By law, where the number of proposed redundancies exceeds 99 employees over a period of 90 days or less, formal consultation will begin at least 45 days before the first dismissal takes effect. Where less than 100 but more than 20 redundancies are proposed, formal consultation will begin at least 30 days before the first dismissal takes effect.

6.1.12. If the number of proposed redundancies meets the thresholds set out in 5.1.11 above, employee representatives will be provided with the following written information in the form of a business case and Equality Impact Assessment at the earliest opportunity:

- The reasons for the proposed dismissals.
- The numbers and descriptions of employees whom it is proposed to dismiss as redundant.
- The total number of employees of any such description employed by the employer at the location/s in question.
- The proposed method of selecting employees who may be dismissed.

- The proposed method of carrying out the dismissals, with due regard to any agreed procedure, including the period over which the dismissals are to take effect.
- The proposed method of calculating the amount of any redundancy payments to be made (to employees who may be dismissed).
- The number of agency workers working temporarily for and under the supervision and direction of the employer.
- The parts of the employer's organisation in which agency workers are working.
- The type of work agency workers carry-out.

6.1.13. Consultation will take place with trade unions, as required, over the criteria by which employees will be selected for redundancy.

6.1.14. The criteria will be fair, objective, consistently applied job related criteria, backed by evidence where possible. They will be non-discriminatory on the grounds of sex, sexual orientation, race, disability, religion or belief, gender reassignment, marriage and civil partnership, maternity and pregnancy or age. They will also not discriminate on the grounds of trade union membership, or part-time status or fixed-term contract status.

7. Redundancy payments

7.1.1. Employees with at least two years continuous service will as a minimum be entitled to a statutory redundancy payment in line with Government guidelines.

7.1.2. Depending on the circumstances, the organisation may waive its right to insist on employees working their notice and instead give a payment in lieu of notice.

7.1.3. A contractual redundancy payment will be as per the policy of the individual's employer pre-April 2023, unless at the time of the redundancy an individual has accepted a post and moved to Somerset Council's terms & conditions.