

Personnel Committee

Organisational Change Policy

7 July 2011

Report of Head of People and Improvement

Purpose of Report

This report requests approval for the new joint policy on Organisational Change. The policy is intended to cover all staff employed in both Cherwell District Council and South Northamptonshire Council.

This report is public

Recommendations

The Personnel Committee is recommended:

- (1) To endorse and approve the attached policy for all staff with immediate effect.

Introduction

- 1.1 In order to ensure that both organisations have a consistent and robust policy framework for dealing with change a new policy, designed to cover staff employed within both Cherwell District Council and South Northamptonshire Council, has been developed. This policy has already been recommended for approval by the Joint Personnel Committee but also requires individual Personnel Committee approval by each Council.
- 1.2 The proposed new policy is attached and an outline of the key changes and process undertaken to date is outlined below.

Details

2.1 Revised policy

The new policy brings together areas of good practice from both organisations and reflects a contemporary and pragmatic approach to the management of organisational change. It aims to provide support and individual choice wherever this is possible in the context of organisational needs and specific objectives of change.

2.1.1 Consultation Process

The draft policy has been through the formal consultation process in both organisations and a number of changes were made in response to comments from the Trade Unions. These were substantially to achieve greater clarity and strengthen the process in terms of support to individuals impacted.

The consultation process left outstanding areas for agreement on only 2 areas. These were the length of pay protection and the issue of re-employment following redundancy or redeployment.

In relation to pay protection, the attached proposed policy includes a flat rate of 2 years pay protection (the original consultation documents proposed 1 year). The current arrangements include a variable protection period at South Northamptonshire of between 2 and 3 years dependent on years of service and a decreasing protection period at Cherwell District Council which was initially 2.5 years from the implementation of the current Job Evaluation arrangements.

A review of the protection periods used by other Councils suggests that between 1 and 3 years are commonly used with no Councils asked using a variable period of protection.

Therefore it was recommended to apply a consistent protection period for all staff which was agreed as 2 years.

In relation to re-employment after redundancy or early retirement, the standard national conditions dictate only that you cannot be re-employed within 4 weeks of dismissal.

However, good practice and reputational issues dictate that the Council should carefully consider any re-employment or re-engagement of ex-officers in receipt of redundancy and/or pensions payments from either authority.

Rather than apply a blanket position within the policy, this item has been amended to include reference, via a business case, to the Chief Executive for decision in these circumstances.

2.2 Effective date for new policy

One of the key objectives of developing a shared policy was to ensure that the senior teams of each organisation received consistent treatment through the process to create the shared management team. The intention is therefore that this policy should be applied immediately.

The policy requires approval from the respective (Appointments and) Personnel Committees (and in the case of SNC its full Council) before it can become effective for not only the staff in scope for the shared senior management team but all staff. However it is obviously important that the policy is in place by the time that expressions of interest for voluntary redundancy are invited. This means that any processes already underway by either Council should be

completed under the old policies and may result in a small number of people having different pay protection and redeployment periods.

3. Conclusion and Reasons for Recommendations

The new policy does not differ significantly from the existing positions other than in relation to pay protection periods. Other changes relate to the application of process, including the point at which people are formally put at risk and arrangements for redeployment.

The policy reflects the law and good practice and provides a contemporary and pragmatic approach to managing change.

Members are therefore recommended to approve the policy.

Options

Option One Implement the new policy as outlined above

Option Two Retain current, separate policies

Key Considerations

Financial Implications: The proposals will make the application of pay protection more straightforward as it will become a blanket policy.

The cost of pay protection for Cherwell District Council employees will be reduced as the position is moved from 2.5 years to 2 years.

The costs, of any individual cases if known, should be built into future estimates of implementation and form part of the individual business cases.

For the senior management team these can be covered by the general contingency set up for the Shared Management Team implementation costs.

Comments checked by Karen Curtin, Head of Finance 01295 221551, karen.curtin@cherwell-dc.gov.uk

Legal Implications:

In the event of a challenge to the process the respective Councils will be in a stronger position to defend any complaints of inequality if the same policy is applied across both organisations and that policy is fair, transparent and robust. In relation to the pay protection period, the length of time afforded should be the same for all staff and having a variable period of protection dependent on length of service could breach the age discrimination legislation.

Comments checked by Nigel Bell, Interim Monitoring Officer, 01295 221687, nigel.bell@cherwell-dc.gov.uk

Document Information

Appendix No	Title
1	Organisational Change Policy
Background Papers	
None	
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