

# HSL MANAGING ORGANISATIONAL CHANGE POLICY

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<b>Related Documents / Policies:</b>	This document is to be read in conjunction with the existing contractual expenses and pay protection policies that currently apply.

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## 1. INTRODUCTION

- 1.1 Health Services Laboratories LLP (HSL) actively manages its business so as to provide the best pathology services for patients and clients within its resources. It recognises that, as a result, changes may need to be made to HSL's organisational requirements which may affect staffing needs.
- 1.2 All major organisational change (see the definition in section 3 below) will be conducted in accordance with this document, which incorporates best practice and legal requirements, and aims to provide a framework for common understanding for managers, staff and trade unions/staff organisations.
- 1.3 HSL believes that its employees and those engaged to work at HSL have the right to be treated with courtesy, dignity, fairness and respect at all times. This policy is a commitment to good employment practice, in line with Advisory, Conciliation and Arbitration Service (ACAS) guidelines, equal opportunities and our legal and professional obligations.

## 2. POLICY STATEMENT

### Purpose

- 2.1 The purpose of this document is to set out our approach to the management of organisational change and the procedures that should be followed by managers wishing to implement major organisational change.
- 2.2 The principles and procedures support the aim of managing strategic and operational change in a way that is both supportive to staff and enhances the provision of the highest quality pathology services.

### Scope

- 2.3 This document applies to all employees of HSL and will be applied consistently and equitably. It does not apply to agency workers, bank workers or contractors who may work for HSL from time to time. All staff, regardless of employment status, will be kept informed of organisational change.

## 3. DEFINITIONS OF TERMS USED

For the purpose of applying the provisions contained in this document, the following terms shall have the following meanings:

- **'Continuous Service'** means full or part time employment with HSL. For staff who have been TUPE transferred into HSL from an NHS Trust or other employer, it also means any previous reckonable employment provided there has not been a break of more than one week (Sunday to Saturday) between employments. This reflects the provisions of the Employment Rights Act 1996 and the NHS

Terms and Conditions of Service Handbook (where applicable) on continuous employment.

- **‘Reckonable Service’**. For staff who have been TUPE transferred into HSL from an NHS Trust, this means Continuous Service plus any service with a previous NHS employer where there has been a break of 12 months or less between periods of employment. At HSL’s discretion, any period of employment outside the NHS which is relevant to NHS employment may be counted as Reckonable Service.
- **‘Minor Organisational Change’** where there is no re-organisation of posts affecting a definable group of employees, i.e. where there are no job losses and any changes are non-contractual (e.g. change of line management), and without any potential for redeployment or redundancy.
- **‘Major Organisational Change’** will include the potential or actual reorganisation, relocation, merger, acquisition, expansion or closure of a service, competitive tendering or outsourcing, a major change in terms and conditions, working practice, significant changes to patterns of working or rotas, redeployment or redundancy.
- **‘Redeployment’** means the transferring or recruitment of ‘staff at risk’ into Suitable alternative employment
- **‘Ringfencing’** means the process by which ‘staff at risk’ will be considered for a post in a new staffing or management structure which is similar to their current post and where there is more than one contender for that post.
- **‘Slotting in’** means the process by which ‘staff at risk’ are confirmed into a post in a new staffing or management structure which is similar to their current post and where that individual is the only contender for that post. Slotting in may occur where a post counts as suitable alternative employment (see Section 8.4.2)
- **‘Staff at risk’** means staff who may potentially be redundant as a result of organisational change if suitable alternative employment cannot be found.
- **‘Suitable alternative employment’** usually means a post on the same salary scale as the member of staff’s current post, or one grade higher or lower. Additional criteria are listed in Section 8.4.2
- **‘Redundancy’** for a full definition, refer to section 8.3 of the policy
- **‘TUPE’** means the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended by the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2013 (see Section 9 for further information).

- **'TULRCA'** means the Trade Union and Labour Relations (Consolidation) Act 1992 (as amended)
- **'Working Days'** means Monday to Friday with the exception of bank holidays.

#### **4. EQUALITY STATEMENT**

4.1 HSL is committed to creating a positive culture of respect for all individuals including job applicants, employees, patients, their families and carers as well as community partners. The intention is, as required by the Equality Act 2010, to identify, remove or minimise discriminatory practice in the nine named protected characteristics of age, disability (including HIV status), gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation. It is also intended to use the Human Rights Act 1998 to treat fairly and value equality of opportunity regardless of socio-economic status, domestic circumstances, employment status, political affiliation or trade unions/staff organisation membership, and to promote positive practice and value the diversity of all individuals and communities.

4.2 HSL accepts that equality impacts on all aspects of its day to day operations and has equality assessed this policy.

4.3 An equality analysis should be completed and appended to each consultation and outcome paper proposing organisational change to ensure decision makers are fully aware of the equality implications of the proposed change so that these are given due regard before a decision is taken.

#### **5. DUTIES**

5.1 Staff are central to the achievement and success of organisational change. HSL acknowledges that change can cause concern and uncertainty and should therefore be managed fairly and consistently in accordance with established good practice.

5.2 HSL recognises the need, to engage staff in any change management procedure. Staff also have a role to play in this process.

##### **5.3 Responsibilities of Managers**

5.3.1 All managers and supervisors have a specific duty to effectively manage change and are responsible for addressing concerns in a constructive manner.

5.3.2 Managers are critical to the change management process, and shall therefore be regularly briefed so that they are in a position to respond to the concerns of staff in their teams. In turn, managers should provide information to staff and trade unions/staff organisations so that they are able to make meaningful contributions to the consultation process.

- 5.3.3 Managers are responsible for consultation and management of the process of change in their respective services, including the preparation of any relevant consultation documents and equality analyses. These consultation documents should be provided to all affected employees, appropriate stakeholders and trade unions/staff organisations in advance of the consultation commencing.
- 5.3.4 Managers must ensure that no employee is discriminated against on the grounds of ethnic origin, nationality, race, disability, gender, marital or partnership status, age, religion or belief, sexual orientation or transgender status when applying this policy.
- 5.3.5 Managers have a responsibility to:
- Communicate this policy to their employees.
  - Ensure that their employees are aware of their own responsibilities under this policy.
  - Ensure implementation within their area of responsibility.
  - Ensure that all concerns and complaints in relation to change management are investigated and addressed in a fair, timely and confidential manner.
  - Notify HR of all planned organisational change and ensure that the matter is progressed through this procedure in a consistent and timely manner.

#### **5.4 Responsibilities of Employees**

- 5.4.1 Employees have a personal responsibility to:
- Play an active role during the pre-consultation and consultation stages, in the further processes of implementation and in identifying new career opportunities.
  - Contribute to the change process and comply with this policy.
  - Actively participate in HSL's redeployment process.
  - Respond within the timeframes set out for consultation and redeployment.

#### **5.5 Responsibilities of HR**

- 5.5.1 It is the responsibility of HR to provide advice to managers and employees on the application of this procedure and the following:
- Provide support to managers when addressing issues under this Policy and Procedure.
  - Ensure that appropriate records are maintained of the proceedings.
  - Support managers and consultation meetings with staff

#### **5.6 Responsibilities of Trade unions/staff organisations**

- 5.6.1 Trade unions/staff organisations play a vital role in advising and representing staff undergoing organisational change, and in working with managers to ensure that organisational change is managed with the least disruption to services and in

accordance with the principle of avoiding compulsory redundancies wherever possible.

5.6.2 HSL will formally notify the trade unions/staff organisations of any proposed organisational changes and will undertake consultation with them in line with legal requirements.

5.6.3 So as to ensure that staff side representatives are able to fully participate in the process, which may require frequent meetings with management and in particular affected staff, HSL will arrange paid time off facilities for agreed members of the staff side, over and above the existing arrangements set out in the Trade Union Recognition and Partnership Agreement.

## **6. THE PROCEDURE**

6.1 Organisational change is driven by the business needs of HSL. Change can be triggered either by the external environment or by an internal review of service requirements.

6.2 In order to meet changing business needs more effectively, there may be occasions when managers need to implement relatively minor changes. Reasonable minor changes and adjustments to duties and working practices may be implemented without recourse to the formal procedures in this document but will require reasonable consultation with staff affected. Any situation which may lead to redundancy will not be deemed to be a minor change.

6.3 Where the proposed changes may lead to redundancy, the manager should follow the change management flow chart, Appendix 1, and complete a business case in conjunction with Finance and HR.

6.4 HSL is responsible for deciding the size and most efficient use of its workforce but in doing so is committed to the following principles for managing organisational change:

- HSL will conduct pre-consultation for all major organisational changes with recognised trade unions/staff organisations to agree:
  - i) the timescales for the consultation;
  - ii) union representatives to be assigned to represent staff;

In addition, the consultation document will be shared with the Staff Side Chair and Secretary in advance of the consultation being launched.

- staff will receive notice of any proposed organisational change which may affect their futures at the earliest opportunity;
- staff will be treated as individuals with due regard to their personal and employment circumstances and their career aspirations at all stages of the change management procedure;

- staff will have the right to be accompanied by a trade union/staff organisation representative or workplace colleague at all meetings held to discuss the proposed organisational change;
- during the consultation period all staff affected will be given the opportunity to attend at least one formal group consultation meeting and to be offered an individual consultation meeting;
- HSL will consider all reasonably practicable steps to avoid compulsory redundancies;
- staff will receive training and development, as appropriate to meet new skill requirements.
- to minimise the cost of redundancy and retain the skills and experience of staff who are not allocated a role in the new structure, staff may be placed in a temporary role whilst more long term suitable alternative employment is sought. Temporary placements should be discussed with the member of staff and the criteria listed at 8.4.2 should be used in determining whether the temporary placement is suitable. Temporary placements will not normally last longer than 12 months (e.g. maternity cover) and pay will not be affected.

## **7. CONSULTATION**

7.1 In accordance with legislation and the HSL Partnership Agreement, HSL commits itself to meaningful and appropriate consultation with trade unions/staff organisations and staff affected by the organisational change with a view to reaching agreement on the way forward. The timing and extent of consultation will be proportionate to the degree of proposed change, the number of staff affected and the impact on individuals.

7.2 The purpose of the consultation meetings with staff and trade unions/staff organisations will be:

- to receive and where possible address any questions on the consultation document;
- to consider any comments or views on the consultation document including any alternative proposals and costing (which HSL shall as far as practicable make available) before determining any final decision to proceed;
- To clarify any change processes and timeframes specific to the proposed organisational change exercise under discussion.

7.3 Managers shall prepare a consultation document on the proposed organisational change having gathered information to support the need for change and consulted with HR and Finance.

7.4 The consultation document will include the following details, as appropriate:

- the need for change and the rationale behind the change;
- current situation analysis including staffing structure;



- an equality analysis, which must be completed and appended;
- the options that have been considered;
- impact on supplementary and ancillary services;
- consideration of any relevant health and safety assessment;
- the proposals for change including the proposed staffing structure(s) and any location change;
- the financial, staffing and workload implications of the proposals;
- the number and grades of staff who may be at risk of redundancy as a result of the proposal;
- proposed timescale for consultation and implementation of the proposed change;
- the way in which staff will be selected for posts within the new structure or transferred;
- if necessary, the selection criteria for redundancy;
- the measures to be taken to avoid compulsory redundancies which may include natural wastage, redeployment with retraining, or voluntary early retirement or voluntary redundancy;
- details of any suitable alternative employment which may exist;
- details of how this information will be disseminated to staff;
- description of the consultation process, including planned meetings, timetable, how staff and representatives can respond and the deadline;
- details of any changes to other terms and conditions such as on-call, shift working etc.

## **7.5 Time periods for consultation**

- 7.5.1 In all cases HSL will allow sufficient time for meaningful consultation with staff and their representatives. In exceptional circumstances, for example where there are sudden unexpected changes in funding for a service, and where changes need to be made very quickly, the trade unions/staff organisations will be consulted immediately and the verbal briefing will be followed by a written brief.
- 7.5.2 In a collective redundancy scenario, consultation will continue for a period of no less than the statutory timescales:
- where 20 – 99 redundancies are proposed consultation should commence at least 30 days before the first redundancy takes place
  - where 100 or more redundancies are proposed then consultation

should commence at least 45 days before the first redundancy takes place.

7.5.3 Trade unions/staff organisations and staff may request additional information or an extension of time if this is necessary to enable them to understand and contribute to an informed discussion on the merits of the proposal. Such requests will not unreasonably be refused, and where they cannot be accommodated a reason will be given.

7.5.4 In practice most consultation exercises will require a 30 day consultation period. However, in the event of large scale change requiring a 45 day consultation process, HSL and the trade union/staff organisation representatives should consider the pros and cons of extending the consultation. Factors to be considered will be as follows:

- Reasons put forward by either party for an extension beyond 45 days, particularly in relation to the extent to which original proposals have been revised as a result of the 45 day consultation for example changes from the original proposals may require a further short period of consultation.
- The impact of delaying the process on the staff affected and the likelihood of further redundancies being required due to a reduction in predicted savings arising from the proposed changes.
- Any extension to the 45 days consultation period must be agreed by both parties (i.e. staff side and management).

## **7.6 Consultation with the trade unions/staff organisations**

7.6.1 Early informal consultation with staff and trades unions is encouraged and should occur. This is also known as pre-consultation. Meaningful pre-consultation often leads to an agreed shorter formal consultation time and greater staff satisfaction with the process.

7.6.2 As part of the pre-consultation process with the trades unions, managers, HR and finance will:

- review the draft consultation document;
- review the timescales listed and agree the launch date;
- ensure the existing and proposed job descriptions and organisational structures have been prepared prior to launch of the consultation;
- ensure the costings have been completed for the proposed new structure;
- identify the proposed date of the new arrangements becoming effective.

7.6.3 Formal consultation with the trades unions will commence once any informal comments have been considered and the consultation document has been finalised (see sections 7.1 and 7.2). This will take the form of:

- on-going discussions with the local accredited representatives;
- trade unions/staff organisations representing staff affected by the change should be invited to the first meeting with all affected staff and given reasonable notice to attend.

7.6.4 In a redundancy scenario, the information provided in writing to the trade unions will include the following:

- The reasons for the proposals
- the numbers and descriptions of employees whom it is proposed to dismiss as redundant;
- the total number of staff employed by HSL at the establishment 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 (over and above the statutory redundancy payment) to employees who may be dismissed.
- The number of bank and agency workers working temporarily for and under the supervision of HSL
- The parts of HSL in which those agency workers are working
- The type of work those agency workers are carrying out.

7.6.5 During a period of change, management will ensure that trade unions are kept informed of developments and will meet with the trade union/staff organisation as appropriate.

7.6.6 In certain circumstances, a receiving organisation may elect to carry out pre-transfer consultation in respect of post-transfer redundancies. In those circumstances, the best practice principles of this policy, as well as statutory requirements (as set out in s198A TULRCA), shall apply. The key principles of a pre-transfer redundancy consultation will be as follows:

- There is to be, or likely to be, a TUPE transfer
- The receiving organisation is proposing to dismiss as redundant 20 or more employees at one establishment within a period of 90 days or less
- The employees who are to be transferred to the receiving organisation include one or more employees who may be affected by the proposed dismissals or by measures taken in connection with the proposed dismissals
- The current employer and the receiving organisation must agree in writing to the consultation commencing pre-transfer.

## **7.7 Consultation with individual staff**

7.7.1 A meeting will be held with all staff affected by the organisational change to

announce the proposed change and explain the consultation process which will follow.

- 7.7.2 Each member of staff affected by the organisational change will be provided with a copy of the consultation document. Staff who are absent from work for any reason, including career breaks and maternity leave, will be sent a copy of the consultation document at their home address / other suitable address so that they can participate in the consultation process.
- 7.7.3 Each member of staff will be offered the opportunity of at least one individual meeting with their manager at which they have the right to be accompanied by a trade union/staff organisation representative or workplace colleague. HR advisory support will also be offered. In a redundancy scenario, the meeting will be to discuss the issues set out at paragraph 8.2.3.
- 7.7.4 At the meeting, each member of staff will be invited to comment and respond to the proposals, including how they may impact on their personal circumstances. It is recognised that staff may require time to respond and may not be able to do so at that particular meeting.
- 7.7.5 A written record of the individual meetings will be kept and provided to the employee and their trade union/staff organisation representative where applicable. This written record will be a note of the main points discussed at the meeting, not verbatim notes.
- 7.7.6 Regular updates and frequently asked questions may be circulated to staff throughout the formal consultation period. Throughout this period staff should be encouraged to discuss their concerns and queries with their line manager and trade union/staff organisation.
- 7.7.7 In addition to the individual consultation meetings, staff can be kept informed by management, team meetings, trade union/staff organisation meetings, email and other written communication and information supplied by the trade unions/staff organisations.

## **7.8 Outcome of consultation process**

- 7.8.1 At the end of the consultation period the manager will give full consideration to all comments received from staff and the trade unions/staff organisations and will make a decision on the way forward. An outcome report will be provided to the staff and trade unions/staff organisations covering the change process to be followed and the timeframe. The outcome report may include:
  - A response to the views expressed and questions asked by the trade unions/staff organisations
  - the reasons for the decision

- equality analysis;
- any relevant health and safety assessments;
- an explanation where the management decision is in conflict with the views of the trade unions/staff organisations representatives and staff or where the proposal has changed as a result of consultation;
- identification of posts which are the same or substantially the same in the old and new structures;
- arrangements for filling posts via slotting in or ring-fencing;
- selection arrangements for posts within the new structure;
- measures that will be taken to avoid compulsory redundancies;
- arrangements for seeking suitable alternative employment (see section 8.4 for information)
- reference to HSL's pay protection arrangements and how these will apply;
- support for staff who are affected by the change, including career counselling and reasonable time off to seek other employment or undertake training;
- proposed timescales for each stage of the change process;
- Date for notice of change for the introduction of new shifts or ending of on-call arrangement;

7.8.2 Where compulsory redundancies are unavoidable HSL will set selection criteria for inclusion in the consultation outcome paper. These criteria should be objective, clearly defined, measurable and non-discriminatory. Managers should seek advice from HR on the selection criteria to be used to ensure HSL is not open to legal challenge. Selection criteria will be discussed, and where possible agreed, with trade unions/staff organisations.

7.8.3 In considering any measures to avoid compulsory redundancies, including requests for voluntary redundancy or early retirement, operational efficiency and service needs must be taken into consideration. If a member of staff volunteers for redundancy/early retirement, approval of the request will be subject to the needs of the service and the cost implications. Care must be taken to ensure that decisions are based on sound organisational reasons and do not breach equality legislation.

## **7.9 Support for staff**

7.9.1 All staff affected by the organisational change will be encouraged to seek the advice and support of their trade union/staff organisation where appropriate. Relevant support will be provided by HSL and may include:

- help with the production of CVs / application forms;
- help with preparation for interviews;
- careers advice;
- time off to meet with recognised trade union/staff organisation representatives to discuss the change;
- further assistance to staff who are at risk of redundancy will include reasonable time off to seek other employment or undertake training;
- placement on HSL's at risk register;
- support from the HSL employee assistance programme.

7.9.2 Even after the organisational change has taken place, HSL acknowledges that staff may take some time to adjust to the change. Managers should remain available to staff to manage any issues that arise and support staff through the transition. There is a scheme available for staff, the details of which can be obtained from HR.

## **8. THE PROCESS FOR FILLING POSTS IN THE NEW STRUCTURE**

### **8.1 Staged Process**

8.1.1 There will be two stages in the process for filling posts in a new structure:

- **Stage One** takes place amongst the staff that are affected by the change. Posts in the new structure are filled either by Slotting in or by Ring fencing
- **Stage Two** is where wider competition takes place for any posts that remain vacant in the new structure following Slotting in or Ring fencing. The posts can then be opened to any Staff At Risk for whom the post is considered suitable alternative employment or to open competition internally or externally, in line with the normal recruitment processes, where there are no such applicants.

8.1.2 The two stages may run in parallel but all reasonably practicable steps will be taken to avoid compulsory redundancies.

8.1.3 Job descriptions and person specifications will be produced for new posts or revised roles.

8.1.4 The selection process and criteria for all posts in the new structure (whether or not there is competition) must be non-discriminatory, fair, objective, clearly defined and based on the skills and competence requirements of the post. The selection criteria should be made available with the consultation outcome paper.

8.1.5 Staff who are offered posts during Stage One will be deemed to have been offered suitable alternative employment by HSL. This will be confirmed in writing by the manager. This is on the basis that if staff are slotted in or offered ring

fenced posts it will be assumed that the posts offered are suitable alternative employment and hence the consequences of refusing to accept these posts will be as per refusing suitable alternative employment. Staff have the right to appeal if they feel that the offered post is not suitable alternative employment.

Any member of staff who is not appointed to a post in the new structure will be offered post interview feedback, coaching or training where appropriate and has the right to appeal (see section 10).

## **8.2 Staff at Risk of Redundancy**

- 8.2.1 When changes in staffing levels/ service requirements or skill mix are proposed, which will lead to a reduction in the numbers of staff employed in particular grades, occupational groups or specialties, management will identify the positions, individual staff or pool of staff that are at risk of redundancy as a result of the changes.
- 8.2.2 The identification of being at risk of redundancy is not a notice of termination of an employee's contract on the grounds of redundancy.
- 8.2.3 Staff at risk will be invited to a meeting(s) with their manager and trade union/staff organisation representative or work colleague to:
- discuss how the proposed changes affect the individual;
  - explain why the individual is at risk of redundancy;
  - discuss ideas for avoiding redundancy dismissals; reducing the number of Staff At Risk who are made redundant and mitigating the consequences of any redundancy dismissals
  - explore the possibility of redeployment;
  - review the proposed timescales for redeployment at this stage;
  - explain the process for Redeployment including, if appropriate, prior consideration (see section 8.4);
  - explain the arrangements for protection of pay and terms and conditions where applicable;
  - offer support and assistance;
  - review any training or developmental requirements in order to assist with redeployment;
  - discuss any other relevant issues and processes which may include providing a redundancy payment estimate where appropriate.
- 8.2.4 Following the meeting staff at risk will be given a letter within 5 working days to confirm their at risk status and the key points discussed at the meeting including

answers, wherever possible, to questions raised at the meeting for which there were no immediate answers available at the time.

- 8.2.5 Staff at risk will be given prior consideration for posts within the new structure where they meet the selection criteria, under Stage One of the process. Where they are selected for a new post they will normally be given the offer in writing within seven working days of the selection process. Any training required will be discussed with the member of staff as part of the offer process. The appointment will be subject to a trial period of four weeks, which may be extended by mutual agreement.
- 8.2.6 In the case of significant change which spans other organisations in the wider NHS or pathology sector, HSL will reasonably endeavour to reach an agreement with those organisations regarding the establishment of job redeployment opportunities. The agreement will contain a commitment to equality of opportunity for all staff who will then have the same access to opportunities and vacant posts with any of the organisations.
- 8.2.7 Staff who are not selected for a post in the new structure may be formally declared at risk of redundancy and given notice of redundancy in accordance with the contract of employment, or statutory entitlement, whichever is the greater. They will continue to be listed on HSL's redeployment register during the period of notice.

There may be situations where it is necessary to give notice of redundancy in accordance with the contract of employment, at the end of the consultation process.

- 8.2.8 As part of the process of redeployment HSL's HR Department should wherever possible notify staff of potential opportunities. The HR department will use "internal only" and "restricted vacancy" posts to support redeployment of staff at risk of redundancy.
- 8.2.9 Staff at risk will be given prior consideration for posts that are / or become vacant in HSL during a specific organisational change and, subject to the arrangements regarding suitable alternative employment and trial periods, they will remain on the redeployment register until their last day of service. Staff at risk are also able to apply for jobs at higher bands by the normal means, in which case pay protection would not apply.

### **8.3 Redundancy**

- 8.3.1 A member of staff may become redundant if they are dismissed and the reason for the dismissal is wholly or mainly due to:
- the fact that HSL has ceased, or intends to cease, to carry on the activity for the purposes of which the individual was employed, or has ceased, or intends to cease, to carry out the activity in the place where the individual was employed; **or**



- the fact that the requirements of HSL for staff to carry out work of a particular kind in the place where they were so employed, have ceased or diminished or are expected to cease or diminish.
- 8.3.2 The HR Department is responsible for notifying the relevant Department (currently the Department for Business, Innovation and Skills (BIS)) in writing if HSL proposes to make 20 or more staff redundant, within the terms of the legislation in force at the time. A copy of the notification form will be sent to the trade union/staff organisation representatives concerned. Advance notification to the relevant department does not bind HSL to make the employees redundant.

#### **8.4 Suitable alternative employment**

- 8.4.1 Suitable alternative employment is work within HSL that is on broadly similar terms and within the same range of skills required as the current employment where the individual meets the essential criteria of the person specification. It may be on any site operated by HSL subject to travel considerations. Staff at risk will be given prior consideration for suitable posts in line with their skills, experience and capabilities, and where appropriate will receive protection of pay in line with any Pay Protection Policy which may apply.
- 8.4.2 In most circumstances, a post may be considered as suitable alternative employment if it is on the same salary scale as the staff member's current post, or one grade higher or lower. In addition, the following criteria will be taken into account in all circumstances:
- Be on broadly similar terms and within the same range of skills/knowledge/experience required at the current post
  - Provide similar earnings (can be mitigated through pay protection)
  - Similar status / responsibility
  - Be within the employee's capability
  - Continue to have similar opportunities for on-going education and promotion
  - The individual skills, abilities of the affected member of staff;
  - Whether, with a reasonable amount of training and time, the individual could develop the skills and abilities required for a role;
  - Agenda for change T&C also protected not just pay
  - The pay, status, hours and location of alternative roles
- 8.4.3 HSL recognises that while some posts may not be classed as suitable alternative employment, should an employee be interested in such a post, this interest will be considered on a case by case basis.
- 8.4.4 In considering suitable alternative employment priority will be given to staff with permanent contracts or staff with fixed term or temporary contracts who have in excess of one year's continuous service with HSL.
- 8.4.5 Following identification of potentially suitable alternative employment at either Stage One or Stage Two, individual staff at risk will be offered the position in writing and be given a copy of the job description/person specification and a deadline of at least five working days within which to apply. In some circumstances e.g. annual leave and other types of leave, this period may be appropriately extended. During this period the individual may meet with the appropriate manager informally to discuss their interest.
- 8.4.6 If the individual is offered the post, this will be treated as an offer of suitable

alternative employment and a trial period will apply.

- 8.4.7 Staff who unreasonably refuse suitable alternative employment may lose their right to a redundancy payment.

### **8.5 Trial periods and training**

- 8.5.1 The purpose of a trial period is for both the manager and the individual to assess the suitability of the post as alternative employment.
- 8.5.2 A trial period will only apply to staff at risk and where a formal offer of suitable alternative employment has been made.
- 8.5.3 Where a member of staff has the potential ability but not the immediate experience to undertake full duties of the role, they will be provided with appropriate skills development / training. This will be provided where the individual is willing to develop these skills and where it is reasonable and practicable. Managers considering the provision of training to support redeployment should discuss this with HR before confirming the training with the individual concerned.
- 8.5.4 The trial period will normally last for four weeks but may be extended by mutual agreement where a member of staff requires additional training and development.
- 8.5.5 If the trial period is unsuccessful, as determined by the manager and / or individual concerned with justified reasons, redundancy arrangements will apply as from the date when the original contract of employment will terminate. Until the end of their notice period staff at risk will be considered for other suitable alternative employment if available which will be subject to the same arrangements including a trial period.

### **8.6 Change of location**

- 8.6.1 If, as a result of organisational change, there is a requirement to move staff from their normal place of work to another location within HSL and this results in increased travel costs to and from work, where a travel expenses policy exists, staff will be reimbursed their extra daily travelling expenses in accordance with the relevant expenses policy.

### **8.7 Redundancy arrangements**

- 8.7.1 A member of staff will have his or her contract of employment terminated on the grounds of redundancy if no suitable alternative employment can be found or if a trial period is unsuccessful.
- 8.7.2 The terms under which a redundancy payment (compulsory or voluntary) and / or early retirement benefit are payable are summarised below:
- to qualify for a redundancy payment / early retirement benefit the individual must have:
    - a contract of employment with HSL; and
    - at least 2 years' (104 weeks) Continuous Service
  - a redundancy payment takes the form of a lump sum, dependent on the

employee's Reckonable Service at the date of termination of employment;

- the lump sum is calculated either in accordance with Agenda for Change Section 16 (as amended) or statutory provision. This will be specified in the Statement of Terms and Conditions of Employment issued to all staff

8.7.3 Staff will not be entitled to redundancy payments on the grounds of redundancy if they:

- are dismissed for reasons of misconduct;
- at the date of the termination of the contract have obtained without a break, or with a break not exceeding four weeks, suitable alternative employment with HSL;
- unreasonably refuse to accept suitable alternative employment with HSL;
- unreasonably refuse to participate in the selection process for a post deemed as suitable alternative employment;
- leave their employment before expiry of notice, except if they are being released early;
- are offered a renewal of contract with the substitution of a new employer for HSL.

8.7.4 Staff whose employment is subject to a TUPE transfer will not be redundant and therefore will not be entitled to redundancy payments / early retirement on the grounds of redundancy at the point of transfer.

8.7.5 Further information can be sought from HR or trade union/staff organisation representatives.

8.7.6 All redundancy payments will require approval, which must be obtained before a notice of redundancy is issued. HR and Finance should be contacted at the earliest opportunity for advice on the evidence required for approval. The process to be followed is outlined in the flow chart (Appendix 1).

8.7.7 Where a member of staff has a contractual entitlement to pay protection, this will apply for the agreed periods as set out in the relevant Pay Protection Policy or until the member of staff moved voluntarily to a new post within HSL.

## **9. TRANSFER OF UNDERTAKING (PROTECTION OF EMPLOYMENT) – TUPE**

### **Transfers of services and staff**

9.1 Where there is a proposal to transfer services and staff to a different employer, there will be formal consultation with affected staff and trade union/staff organisations at the earliest opportunity in line with legislation. This will be a minimum of 30 days (unless otherwise agreed) and where 100 or more staff are affected will be 45 days where reasonably practicable.

9.2 When services are transferred from one organisation to another in line with TUPE, the employment of staff who are assigned to the services which are being

transferred will transfer to the new organisation. TUPE applies in contracting out scenarios, retendering and in relation to the transfer of undertakings.

9.3 All the terms and conditions within the transferring employee's contract of employment (including any policies and procedures) will transfer with them and should not be changed as a consequence of the transfer.

9.4 Where staff have responsibilities spanning HSL and another organisation or more than one service, discussions will take place with the individual, their trade union/staff organisation representative and the organisations concerned to determine how best their continuing employment should be managed. The options in this situation might be that the individual will transfer to one organisation with an agreement to provide services to the other(s), or have more than one contract of employment, or, in exceptional circumstances, to be declared at risk.

9.5 In all of these circumstances, for the purposes of the consultation that will be carried out, the manager will identify the services, posts and individual staff that will transfer or be affected in accordance with the obligations of TUPE. The manager will write to the staff affected and the trade unions/staff organisations informing them of the intention that staff will transfer, the implications of the transfer and any measures which will be taken in connection with the transfer.

9.6 The manager will then hold one-to-one meetings with individual staff and their trade union/staff organisation representative to discuss the implications of the transfer, measures to be taken in connection with the transfer, answer any concerns or queries, discuss possible options if appropriate and consider personal circumstances. These discussions will be documented and confirmed in writing. Every possible support will be given to staff to clarify the reasons for and implications of the transfer and to ensure they have the necessary information with which to prepare themselves.

9.7 Formal notice of a transfer will be issued as long before the date of the transfer as possible in order to comply with the obligations of TUPE and this policy. HSL will make every effort to give up to 3 months' notice of a transfer, where possible. Where 3 months' notice is not possible because, for example, of the timing of external announcements of decisions of approval, a shorter notice period will be provided after consultation with the Staff Side Chair and / or Partnership Group.

## **10. APPEALS**

Appeals against the selection criteria for redundancy, the decision to dismiss an employee by reason of redundancy, a job considered as suitable alternative employment, or a complaint about misapplication of the Change Management Principles and Procedures will be heard in accordance with HSL's Appeals Procedure, after this has been ratified. The decision of the Appeals panel will be final and there will no opportunity for recourse to the Grievance Policy and Procedure.

## 11. MONITORING

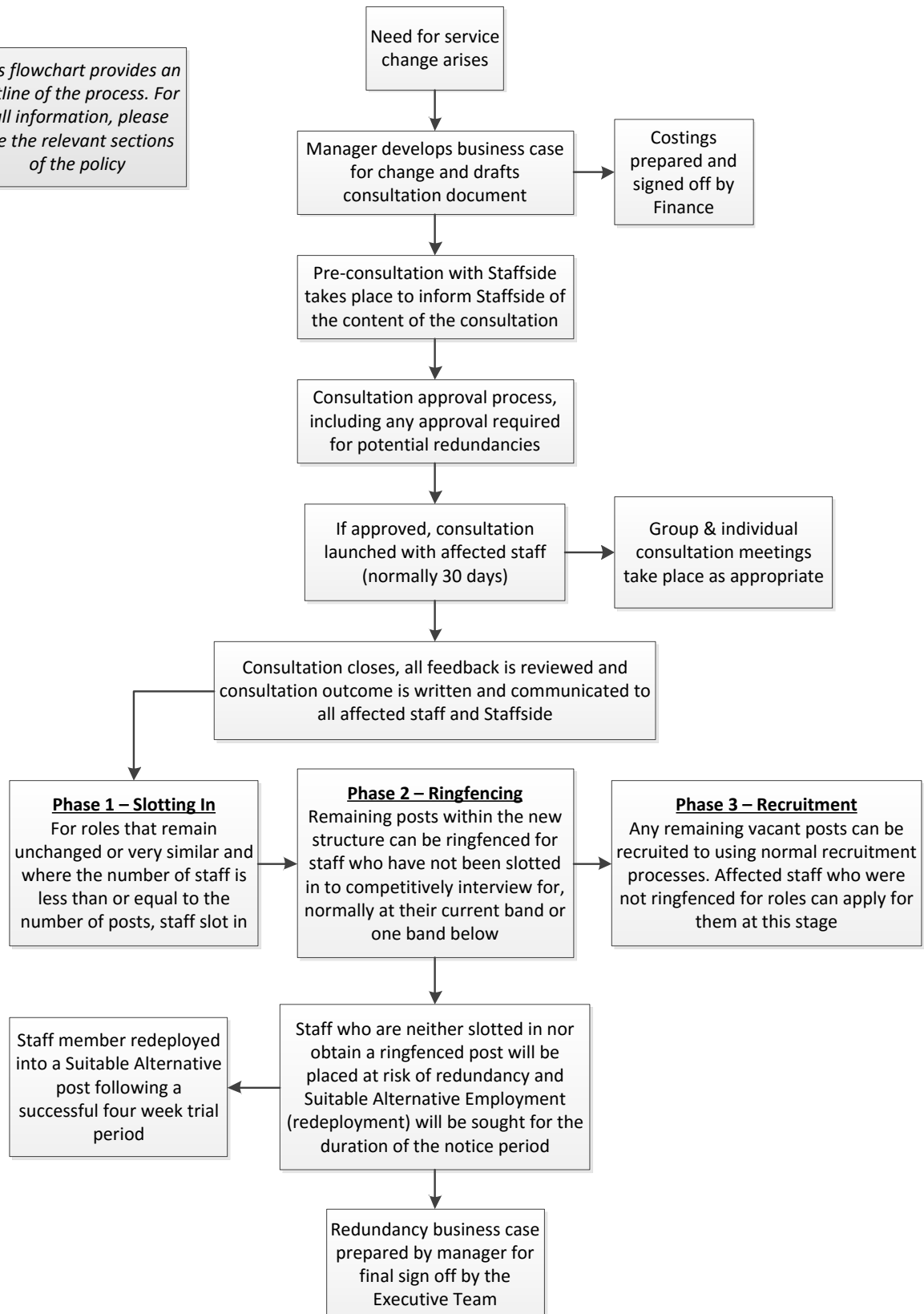
HSL will monitor compliance with the key elements of this policy listed below:

<b>Indicators to be monitored</b>	<b>Method of monitoring</b>	<b>Indicator Lead</b>	<b>Frequency of monitoring</b>	<b>Review Committee (reviews reports to ensure compliance)</b>	<b>Accountable Committee (non-compliance reported to this committee)</b>
Compliance with consultation process, redeployment, outcomes and timescales	Audit of ER Tracker	Head of HR	Quarterly	HSL Policy Group	HSL Partnership Group
Compliance with the redundancy process	Audit of redundancies in the previous year	Head of HR	Annual	HSL Policy Group	HSL Partnership Group
Pay Protection	Payroll report of pay protection levels	Head of HR	Quarterly	HSL Policy Group	HSL Partnership Group

HSL reserves the right to amend the monitoring arrangements in the policy as and when required, with the express agreement of the HSL Partnership Group.

## Appendix 1 – Change Management Flowchart

*This flowchart provides an outline of the process. For full information, please see the relevant sections of the policy*



## Appendix 2 – Equality Analysis Checklist

Equality Group	Identify negative impacts	What evidence, engagement or audit has been used?	How will you address the issues identified?	Identifies who will lead the work for the changes required and when?	Please list positive impacts and existing support structures
Age	None identified				<p>The purpose of this policy and procedure is to ensure that organisational change programmes are managed in a fair and consistent way across HSL.</p> <p>By following the processes set out above, managers can ensure that any organisational change process does not unfairly disadvantage any groups of staff and ensures that processes are transparent and equitable.</p> <p>The equality statement in the policy further supports this.</p>
Disability	None identified				
Gender Reassignment	None identified				
Marriage and Civil Partnership	None identified				
Pregnancy and maternity	None identified				
Race	None identified				
Religion or Belief	None identified				
Sex	None identified				
Sexual Orientation	None identified				
Carers	None identified				

## **Approval and Ratification**

### **Name of Document: HSL Managing Organisational Change Policy**

The HSL Managing Organisational Change Policy was agreed with Staff Side representatives at the Partnership Group Meeting on 4<sup>th</sup> May 2016.

Name of Management Chair:

Signature:

Date:

Name of Staff Side Chair ratifying this document:

Signature:

Date:

Date of Next Review: November 2018