

CITY OF WOLVERHAMPTON COUNCIL	Cabinet 17 December 2019
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Report title	Restructure and Redundancy Policy	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Louise Miles Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	N/A	
Accountable Director	Mark Taylor, Deputy Chief Executive	
Originating service	Human Resources	
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Report to be/has been considered by	Strategic Executive Board	19 November 2019

Recommendation for decision:

The Cabinet is recommended to:

1. Approve the City of Wolverhampton Council's Restructure and Redundancy Policy.

1.0 Purpose

1.1 As part of a policy review process, the Restructure and Redundancy Policy has been updated, along with managers' guidance and supporting templates.

2.0 Background

2.1 The current policy and guide 'Managing Restructures and Redundancy, including consultation and establishment changes' was last updated in 2014. The new policy has been revised and separated into two parts, the first focuses on restructures and the second on redundancy.

2.2 Alongside the policy document, managers' guidance and suite of templates have been created to assist managers. The updated policy and step by step managers' guide are designed to ensure that:

- The Council mitigates against compulsory redundancies where possible.
- Restructures, regardless of size are managed effectively, fairly and consistently as possible and in a transparent way across the Council.
- The Council complies with its legal obligations in managing change, and all employees are informed of their legal employment entitlements and supported throughout the process.

2.3 The following were consulted on the Restructure and Redundancy Policy, Managers' Guidance and templates: Trade Unions (JCP), Equality Forums, HR Improvement Board and HR User Group.

3.0 Progress, options, discussion, etc.

3.1 The table below identifies the proposed amendments to the existing Restructure and Redundancy Policy and Managers' Guidance:

Current policy and guidance	Proposed policy and guidance
Policy and guidance - combined.	Policy and managers' guide separate into two documents, with additional supporting templates available.
Redundancy process – select in and select out.	Removed the option to 'select out' - whereby managers use selection criteria to decide which employee to make redundant. The new proposal 'selects in' all employees at risk of redundancy. Employees have the opportunity to engage in a competitive selection process (where roles are available) or apply for voluntary redundancy.

<p>Assimilation and ring-fence - Assimilation can occur when; there is an 80% or more match in duties, the post is on the same grade and there is no significant change in the emphasis of the post.</p>	<p>The current arrangements are still in place; however, the guidance has been expanded, to permit employees to be offered a role at a lower grade. The employee can then determine whether they feel this is a suitable alternative and accept or reject the proposed assimilation or ring-fence opportunity – text below.</p> <p>On occasions where a lower graded role exists in the new structure, with an 80% match in duties, an employee can be assimilated or ring-fenced to the role, if the employee feels it is a suitable alternative. The employee is still entitled to apply for voluntary redundancy.</p> <p>See section 2 of the manager guidance for further details.</p>
<p>Ring-fence challenge process - ‘their response should be sent to the appropriate Director in five working days of receipt of formal notification’.</p>	<p>Changed to a minimum of five working days - ‘Employees must be given a minimum of five working days to challenge the assimilation or ring-fence proposal following formal notification at the group consultation meeting.’</p> <p>See section 6.3 in the restructure part of the policy for further details.</p>
<p>Process for managing more voluntary redundancy applications than are required - use a selection criteria matrix to determine which voluntary redundancy applications are approved.</p>	<p>The selection criteria matrix has been removed from the policy, with the options below included in the managers’ guide:</p> <p>Managers will be advised to consult with those employees who have requested voluntary redundancy to advise them more applications have been received than are required and check whether employees still wish to take voluntary redundancy.</p> <p>If there are still too many voluntary redundancy applications, the manager can either approve all applications and recruit to vacant roles or decline all applications and conduct a ring-fence selection process. The decision will depend upon the number of additional applications and the restructure circumstance and should be made with the HR representative and in consultation with the relevant Trade Unions.</p> <p>See section 14 of the managers’ guide.</p>

<p>Selection process – ‘if the application of ring-fences does not enable all available posts to be filled, the remainder will be open to competitive selection from within the at risk group first; from staff in the same grade or in a lower graded post. Priority will then go to: (i) the Council-wide redeployees (ii) internal competitive applications’.</p>	<p>A range of selection options have been included in the managers’ guide, including the option to advertise new posts first, where there are no employees assimilated or ring-fenced to the post.</p> <p>The restructure lead should discuss and select the most appropriate option with their HR representative and in consultation with the Trade Unions. Employees on the Council Redeployment Register will continue to have the opportunity to apply for vacant roles before they are advertised internally.</p> <p>See section 17 in the managers’ guidance for further details.</p>
<p>Establishment change process (ECR1) – hard copy form.</p>	<p>Replaced with Structure Management Request (SMR) – electronic form.</p>
<p>Work trials – maximum length of trial not specified.</p>	<p>Up to a maximum of 12 weeks.</p>
<p>Redundancy appeals process - included in the policy and guidance.</p>	<p>Redundancy appeals process to be included in the Appeals Guidance. The right of appeal is documented in the policy.</p>
<p>Appendices</p>	<p>The ‘select out’ appendices have been removed, and other forms updated and included in the managers’ guide.</p>

4.0 Evaluation of alternative options

4.1 During the development of the Restructure and Redundancy Policy and supporting Managers’ Guidance, research was undertaken into other local authorities’ policies and procedures, ACAS guidelines, employment case law and best practice, which informed the proposed amendments outlined in table above (3.1).

5.0 Reasons for decision(s)

5.1 To update the Restructure and Redundancy Policy and Managers’ Guidance, to support the delivery of restructures, to ensure they are managed effectively, fairly and consistently as possible and in a transparent way across the Council.

6.0 Financial implications

6.1 There are no direct financial implications arising as a result of the proposed revisions to the policy.

- 6.2 Payments associated with requests for voluntary redundancy will follow the principles of the current voluntary redundancy scheme.
[MH/14112019/S]

7.0 Legal implications

- 7.1 There are no immediate legal implications resulting from the revisions in policy. All revisions adhere to current employment law requirements.
[JB/14112019/R]

8.0 Equalities implications

- 8.1 An Equality Analysis has been undertaken to identify the associated equality implications. The equality analysis did not identify any negative impact as a result of the proposed changes.
- 8.2 The policy and guidance documents have also been shared with the four Equality Forums for feedback.

9.0 Climate Change and Environmental implications

- 9.1 There are no direct implications on climate change and the environment arising from this report.

10.0 Health and Wellbeing implications

- 10.1 During the restructure process, managers must be mindful of how the change process may affect employees, as employees may be feeling anxious about the uncertainty, and ensure that appropriate support mechanisms are in place. Managers should seek to improve their employees understanding of the need for change and attempt to gain their commitment, by identifying and addressing any concerns. Managers should also tap into employees' knowledge and creativity through meaningful consultation.
- 10.2 Health and wellbeing at work is strongly linked to having a degree of control over our job and how it is done. Giving employees a voice in how change is managed, can maintain their sense of wellbeing. Independent advice, information and emotional support is available to all employees through the Employee Assistance Programme. Employment advice is also available from Human Resources, Organisational Development and Trade Unions.
- 10.3 More information on the support available is identified in the Restructure and Redundancy Managers' Guidance.

11.0 Human resources implications

- 11.1 The amendments to the Restructure and Redundancy Policy and managers' guidance are designed to improve the delivery of the establishment change process, mitigating compulsory redundancy where possible.

- 11.2 The review of the Restructure and Redundancy Policy also ensures that it complies with changes in employment legislation, meets the needs of the Council in the fast paced changing environment, and provides some flexibility in the manner in which restructures are implemented.
- 11.3 The step by step managers guide, should support the consistent delivery of restructures, ensuring they are managed fairly and effectively across the organisation. It also ensures that managers are fully informed of the steps they are required to undertake in any restructure and considerations that they must take into account
- 11.4 A suite of template documents also ensures that managers have the tools they require to implement a restructure of their service area.
- 11.5 The Policy will be reviewed following a period of 12 months or sooner if required, if implementation highlights the need for further review.

12.0 Corporate landlord implications

- 12.1 There are no direct corporate landlord implications arising from this report.

13.0 Schedule of background papers

- 13.1 None applicable

14.0 Appendices

- 14.1 Appendix 1 – Restructure and Redundancy Policy
- 14.2 Appendix 2 – Restructure and Redundancy Managers' Guidance