



Haringey Council

General Purposes Committee

On 12 January 2010

Report Title. **Restructure and Redeployment Policy Update**

Report of **Assistant Chief Executive (People & OD)**

Signed :

Contact Officer : Steve Davies, x3172, steve.davies@haringey.gov.uk

1. Purpose of the report

- 1.1. To approve the principles of change to the Redeployment and Restructuring policies that will be discussed with the unions and delegate authority to negotiate the changes to the Head of Human Resources.

2. Introduction by Cabinet Member (if necessary)

- 2.1. (Not necessary)

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

- 3.1. Not applicable.

4. Recommendations

- 4.1. To delegate authority to the Head of HR to negotiate changes to the Restructuring and Redeployment policies with the trade unions.

5. Summary

5.1. The main principles of the redeployment policy update will include

- A variable approach to managing the redeployment search period and redundancy notice periods for redeployees.
- Redeployees will be skills matched to posts and placed into a post for a trial period. If this is unsuccessful they will be redundant.
- Trial periods may last between 8 – 16 weeks depending on the complexity of the job.

5.2 The main principles of the restructure policy update will include

- All requests for redundancy will be managed and there will be no wide spread calls for volunteers for redundancy.
- Whilst every effort will be made to retain displaced staff, it is recognised that it may not be possible to do so in the current climate.
- Employees who do not co-operate in the redeployment process jeopardise elements of their redundancy payment.
- Job families will be created to improve the flexibility of staff movement.

6. Chief Financial Officer Comments

6.1. The Chief Financial Officer has been consulted over the contents of this report and has no additional comments to make.

7. Head of Legal Services Comments

7.1. The Head of Legal Services has been consulted on the contents of this update report and has no specific comments to make other than to note that there are ongoing negotiations with the Trade Unions with a view to agreeing final changes to the policy.

8. Equalities & Community Cohesion Comments

8.1. Equalities impact assessments are currently being undertaken. Information from the assessment will be fed into the final review and negotiations

9. Consultation

9.1 The Head of HR has already met with the trade unions in order to open discussions on changes to the Restructuring and Redeployment policies, and these will continue.

10. Service Financial Comments

10.1. At this point in negotiations it is difficult to predict if there will be any savings resulting from the changes, although there may be some arising from changes to redundancy payments if people do not co-operate with the redeployment process.

11. Local Government (Access to Information) Act 1985

No documents that require to be listed were used in the preparation of this report.

12. Principles to be included in the new Redeployment Policy

Introduction

1. Budget cuts are likely to result in an increased number of restructures resulting in posts being cut and therefore an increased number of employees being referred for redeployment.
2. There is also likely to be reduction in the number of vacancies being advertised and therefore fewer opportunities for redeployment.
3. The current redeployment policy allows between 4 – 12 weeks redeployment followed by a notice period of up to 12 weeks depending on length of service. Therefore up to 6 months between the job being lost and the member of staff leaving the organisation if redeployment is unsuccessful.
4. The current focus of the policy is to match redeployees to internal vacancies. With less recruitment and more redeployees, the focus should shift to maximising opportunities from vacancies by using trial periods. Some additional outplacement support may also be required.

Principles of new policy

1. The redeployment search period will be made more flexible. At present it last up to 12 weeks, although in practice 12 weeks is nearly always given. It is proposed to make the period more flexible according to likelihood of placement and to align it more closely with the redundancy notice.
2. An extension to the agreed redeployment/notice period may only be requested once for sound business reasons and be for a defined period. The Head of HR will decide whether to agree the request.
3. Employees should only be referred for central redeployment once all ring fence interviews have been held and decisions made (the completion of a reorganisation).
4. It is proposed to pro-actively match redeployees to posts based on skills assessment. At present the redeployee applies for posts they think they are suited for and they are then interviewed, although are not always successful. Instead matched redeployees will be given a trial period of between 8 – 16 weeks

depending on the complexity of the job. A final decision regarding suitability of redeployee to post will be made by the line manager at the end of the assessment.

5. Where a vacancy requires a Criminal Records Bureau (CRB) disclosure and the redeployee does not have one, the line manager must undertake to closely monitor and supervise the redeployee during his/her period of assessment. A Waiver Form may be completed to cover the assessment period and duties amended accordingly. If the assessment period is successful and a Haringey CRB is applied for, the period of assessment must be extended until the CRB is received and is considered satisfactory.
6. If an Independent Safeguarding Authority check is required, this must be requested and received before the period of assessment can begin.
7. If two or more redeployees are matched to a vacancy, a competitive interview will be arranged to determine which undertakes the trial period.
8. A factual Statement of Employment History prepared by HR which will be given to managers when the assessment period begins. The Statement will contain sickness information and "unspent" disciplinary information and will be for information only.
9. The redeployee will be closely monitored (with assessment following along similar lines to probation) during their assessment period to enable an informed decision about whether to redeploy on a permanent basis.
10. The redeployee will have a right of appeal against a decision to fail their trial period.
11. In the cases of medical redeployees or redeployees who have a disability, Occupational Health must confirm that any adjustments identified are reasonable & can be implemented in the new role before the placement begins.
12. Additional job search skills workshops will be available for redeployees to help them find work outside the council.
13. Currently, if a redeployee is successful in being seconded to a post or secures a temporary post for up to 12 months, their substantive business unit is responsible for meeting redundancy costs. If the temporary post lasts for 12 months or more redundancy costs are met by the new business unit.
14. If an employee has been suspended for gross misconduct they are temporarily suspended from the redeployment register and remain in their substantive post (or an alternative identified by their substantive business unit) until the formal action is concluded. The redeployment period will recommence if they return to work.

13. Principles to be included in the new Restructuring Policy

Introduction

The Organisational Change / Redundancy policy (to be called Restructuring Policy) was last updated in November 1997 and is now in need of revision.

The new policy has not substantially changed the spirit of the original document, instead it seeks to bring it up to date, and where necessary, make amendments in line with legislative changes and changes which have taken place within the council in the past 12 years.

Principles of the Restructuring Policy

1. In the current climate and for the foreseeable future, budgets will be tightened and business units will be seeking efficiency savings. Restructuring is a method of achieving these aims, although it is recognised that it may have an impact on the job security of some employees. The council will not seek volunteers for redundancy but it can no longer aim to avoid compulsory redundancies, instead it aims to minimise the effect of redundancies by employing a variety of methods including redeployment, freezing recruitment, or reducing or restricting non-essential overtime and the need for agency staff where appropriate.
2. It is proposed to utilise a variety of methods for selecting people for posts and redundancy including interviews, management assessment, psychometric tests and practical job related tests.
3. To carry out the assessments, at least two managers will be involved, one being the line manager of the assessed and the second to be another manager who is unconnected with the process. Advice on assessments will be provided by HR in all cases.
4. Due to changes to the pension scheme, the council no longer offers added years in the case of redundancy.
5. It is proposed to look at the redundancy payment calculation. At present redundancy payments are based on continuous service, up to a maximum of 20 years and are based on the weekly rate of pay. The council currently use the statutory redundancy calculation and also give one additional weeks pay for each year of continuous local government service (up to a maximum of 20 weeks). It is proposed that where a redeployee has not co-operated with the redeployment process they will jeopardise their redundancy payment.
6. The position of employees in 'Acting up' situations will be clarified. It is proposed

that regardless of how long an employee has been 'Acting up' they will be included in a ring fence with other staff based on their substantive grade (i.e. not their 'acting up' grade).

7. We intend to create job families for certain jobs/ occupations to allow greater flexibility of movement of staff within certain job families, e.g. accountancy, administrative.