



**Organisational
Change Policy
&
Organisational
Change Protection
Arrangements**

Agreed :

Based on Policies agreed by each of the four former PCTs across South Staffordshire and reflecting the rights of employees transferring into the employment of South Staffordshire PCT under the provisions of TUPE

Ref. No.	
Agreed by PCT Board	
Review Date	2 years

ORGANISATIONAL CHANGE POLICY

1. PURPOSE

- a) PCT is committed to its policy and strategic objectives, of creating as stable a working environment as possible and to be fair and consistent in its treatment of all staff by means of effective and efficient management and workforce planning.
- b) The PCT must, however continually make decisions about the organisation and provision of services to meet the changing health needs of the population. Any of these decisions could result in organisational changes for the PCT, some of which may involve the restructuring, relocation, and expansion and / or reduction of services and facilities of current service arrangements.
- c) This policy intends to demonstrate the PCT's commitment to safeguarding the interests of its employees through identifying principles and processes by which the PCT will seek to manage the personnel implications of organisational change, and details what steps will be taken to avoid compulsory redundancies.
- d) The policy covers a range of options aimed at ensuring the highest level of job security for all employees affected and to provide as smooth a transition as possible in any organisational change. Options include re-deployment when jobs move, finding suitable alternative employment, offering training / re-training where appropriate, offering assistance in cases of redundancy, giving preferences to employees at risk.
- e) It is the PCT's intention that whenever staff are affected by organisational change which results in downgrading or loss of earnings, they will receive Protection of Pay and Conditions of Service (see protection policy)
- f) The overriding aim of the policy is to ensure that valuable skills, knowledge and experience are retained within the PCT or, if that is not possible within the NHS.

2. PRINCIPLES

In handling organisational change, the PCT undertakes to observe the following principles and to achieve the following objectives:

- a) To take steps to maximise, as far as possible, security, stability and certainty for those involved.
- b) To plan changes as far ahead as practicable
- c) To consult and communicate as fully and as early as possible with individuals and their representatives (which may include confidential information the confidentiality of which all participants must respect) with a view to reaching agreement.
- d) To take all reasonable steps to prevent/reduce the needs for compulsory redundancy
- e) To seek to agree with trade unions criteria in the filling of posts, the redeployment of staff, and as a last resort the implementation of any redundancies, which are objective, relevant and clearly defined. To adopt such criteria and implement them in a consistent manner.
- f) To observe all the requirements of any legislation.
- g) Proposed organisational changes will be supported by all documentation covering the need for the change, the benefits to the service and the cost implications.

Any proposed organisational changes, in working in partnership should commence and conclude at the Joint Staff Partnership.

3. CONSULTATION

- a) The PCT recognises the value of having good communication arrangements with employees in times of uncertainty and organisational change in order to facilitate the change. Consultation arrangements will be at the earliest opportunity and in line with TUPE requirements where appropriate.
- b) When organisational change occurs, a document will be published outlining the changes proposed at the earliest opportunity and a period of consultation will be mutually agreed between the parties. This could range from a few days to several months depending on the nature of the change envisaged and the need for resolving issues with minimum disruption to patient services..
- c) Trade Unions and Professional Organisations will be consulted at the earliest practicable stage on all organisational change issues that involve staff and the PCT will ensure a continuous dialogue through all stages of the process.
- d) Management will provide details of all the information as identified below in writing to staff and their representatives at the earliest opportunity to allow for effective and meaningful consultation:
 - The reasons and nature of the change including existing/proposed structures, benefits to patients/clients or staff, cost savings and benefits realisations.
 - The "directly affected staff group"
 - The measures to be taken to minimise / reduce the need for compulsory redundancies
 - Arrangements for assistance with re-deployment, retraining and premature retirement of staff
 - The proposed criteria to be adopted for the filling of any posts, re-deployment, premature retirement, voluntary redundancy, and if necessary, compulsory redundancy, ring fencing, slotting-in.
 - The provisions for the protection of pay and terms & conditions of staff required to move to a new post as consequence of the organisational change (see Protection Policy)
 - The individual has the right of appeal
- e) In addition every employee affected by the changes will be consulted with, on an individual basis, to discuss their employment and their options for the future.
- f) Staff have the right to be represented at any group or individual meetings throughout the consultation and implementation stages by a representative of their trade union or professional organisation.
- g) In situation where the proposals include to dismiss as redundant 20 or more employees, Trade Unions and Professional Organisations representatives must be consulted and are entitled to information under the Collective Redundancies and Transfer of Undertakings (Protection of Employment)-(Amendment) Regulations 1995. In this circumstances the minimum consultation periods contained in the Act must apply.

4. SELECTION CRITERIA

- a) Management will consider, consult upon the criteria and rules which will apply in respect of the re-deployment of staff and redundancy of posts, with a view to reaching agreement with relevant trade unions and professional organisation. Specifically management in partnership will put forward proposals which seek to:

- Define which of any available posts will be subjected to restricted competition
- Define the criteria for eligibility for being considered for such available posts
- Define, which if any posts will be subject to a “slotting in” process, and the criteria which will apply in respect of “slotting in” to such posts
- Define the criteria which will apply in respect of consideration for redeployment to other available posts within the PCT, and with other partner organisations (please refer to Cross Organisational Redeployment Policy)
- Define the criteria which will apply in respect of agreement to premature retirement on grounds of organisational change
- Define the criteria which will apply in respect of selection for compulsory redundancy should compulsory redundancy be necessary

5. SUITABLE ALTERNATIVE EMPLOYMENT

- Offers of suitable alternative employment must be in writing with sufficient details for the employee to understand the implications and to make an informed decision.
- Where an offer of alternative employment has been made which involves a different type of work or has different terms and conditions of employment, the employee is entitled to a minimum four week trial period, which may be extended on agreement, in the new post.
- Consideration will also be given with regards to individual re-training needs when looking at suitable alternative posts.
- Where either party to the trial period consider the arrangement unsuitable, the arrangements will be reviewed.
- To facilitate this further, alternative employment may be offered on a secondment or temporary basis, for an agreed period. Redundancy rights will however not be lost if these alternative arrangements prove unsuccessful.
- Before agreeing to or accepting an offer of suitable alternative employment, employees are encouraged to seek advice from their trade union or professional organisation representative.

6. PROTECTION

- The PCT has determined a minimum level of provision for the protection of pay and terms and conditions of staff required by management to move to a new post as a consequence of organisational change. These provisions are incorporated into the PCT’s Policy on Organisational Change Protection Arrangements. (See Appendix 1 and Appendix 2)

7. STAFF ‘AT RISK’ REGISTER

- The Human Resources Department will maintain an “at risk” register and ensure that the PCT brings any appropriate vacancies to the attention of those employees recorded on the register.

8. HELP PACKAGES

- Whenever an employee is identified at risk, a number of measures will be implemented to assist the individual, according to their needs, to make the transition. Advice and support may include:
 - Statutory entitlements
 - Entitlements under NHS regulations
 - Local agreements

- Counselling
- Occupational Health
- Redundancy counselling
- Out-placement services
- Help with CV's + Interview skills
- Career guidance
- Time off to look for work outside the PCT

9. TIME OFF TO LOOK FOR WORK

- a) All employees under notice will be granted reasonable paid time off during working hours to look for new employment or make arrangements for training.

10. COMPULSORY REDUNDANCIES

- a) As already stated, the PCT will endeavour, wherever possible, to avoid compulsory redundancies. Redundancies will only be considered as a last resort. Where redundancies are unavoidable, separate discussion will take place with the employees concerned and their representatives on an individual basis.

11. RIGHTS OF APPEAL

- a) Where an employee is dissatisfied with an individual decision arising from the organisational change process they have the right to raise a grievance under the PCT Grievance and Disputes Procedure. Grievances must be lodged in writing, within 21 days of receiving written confirmation of that decision, stating the reasons for the dissatisfaction.

12. RIGHTS TO REPRESENTATION

- a) All employees are entitled to representation by a recognised trade union or professional organisation, colleague or friend when subject to any of the arrangements arising from this policy or at any stage of the proceedings.

13. REVIEW OF POLICY

This policy will be reviewed in the light of organisational need, changes in legislation or at the request of management or staff side representatives.

Organisational Change Protection Arrangements Policy

1. INTRODUCTION

In accordance with Section 46 The New NHS Pay System (Agenda for Change) Terms and Conditions Handbook the PCT has determined that the following arrangements will apply to safeguard the pay and conditions of service of staff affected by organisational change where suitable alternative employment is available. Notwithstanding the principle that there is no automatic entitlement to a lower graded job with protection as an alternative to redundancy.

It is recognised and accepted that staff not subject to the general Agenda for Changes terms and Conditions of Service will be entitled to retaining previous existing entitlements and benefits, where these are more beneficial than those provided in this document.

2. GENERAL STATEMENT OF PRINCIPLES

The PCT recognises that in order to achieve future corporate business plans and to continue to develop its services to the community it serves it must be able to adapt to changes as these are identified.

The PCT is committed to full and meaningful consultation on organisational change with staff directly affected and their representatives.

However, the PCT accepts that in order to facilitate change, it is essential to ensure that where it is unavoidable; staff who are adversely affected by such changes, receive some protection of pay and conditions of service where this is considered to be a suitable alternative to redundancy and/or early retirement.

3. SCOPE OF PROTECTION ARRANGEMENTS

These arrangements apply to any employee as of who, as a consequence of organisational change, is required to move to a new post and/or who is downgraded as a result of such a move, or suffers a reduction in basic contracted working hours and thereby suffers a loss of earnings.

4. LONG TERM PROTECTION OF BASIC WAGE OR SALARY

This protection will apply to any employee who, as a consequence of organisational change is required by management to move to another

post and is downgraded as a result of this move. (If there is no downgrading but there is a loss of earnings then Section 5, (below), - Short Term Protection of Earnings may apply).

Staff will continue to receive the basic pay (for definitions of 'basic pay' and 'downgrading' see Definitions in Appendix 2) in payment at the date of transfer for the period specified below on a mark time basis, where it is due to organisational change.

It only applies in situations of downgrading to a post of one band lower than the post holders' substantive post prior to the organisational change.

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It is acknowledged that offers of employment to a post on a band more than one below the post holders current band will not constitute suitable alternative employment and will entitle the individual to a redundancy payment under Section 16 of the Terms and Conditions Handbook subject to the relevant service and meeting all other relevant conditions in Section 16 of the Agenda for Change Terms and Conditions Handbook.

The periods of long term protection of basic pay to which employees will be eligible subject to the conditions of this policy are :

Reckonable Service	Protection period
6 months – 2 years service	1 year protection on basic wage or salary
3 - 4 years service	2 years protection on basic wage or salary
5 - 6 years service	3 years protection on basic wage or salary
7 – 8 years service	4 years protection on basic wage or salary
10 + years service	5 years protection on basic wage or salary

For a definition of 'Reckonable Service' - see Definitions in Appendix 2

5. SHORT TERM PROTECTION OF EARNINGS

This protection will apply to any employee who, as a consequence of organisational change is required by management to move to another post in which the earnings are less, than those of the employee's former post, not as a result of a downgrading. (If the loss of earnings results from a downgrading then the provisions of Section 4 (above) – Long Term Protection of Basic Wage or Salary will apply). Under this Section

protectable earnings will be protected on a mark time basis for the period shown below.

Protectable earnings, (for a definition of 'protectable earnings' - see Definitions in Appendix 1), will be calculated on the basis of the monthly or weekly average earnings in the former post during the 12 month period prior to the commencement in the new post.

Earnings in the new post will be offset against protectable earnings. If, for any particular pay period the earnings in the new post exceed the protectable earnings, protection of earnings is extinguished and earnings in new post are paid in full for that particular pay period.

The periods of short term protection of earnings to which employees will be eligible subject to the conditions of this policy are :

Reckonable Service	Protection Period
2 years service and under	3 months protection
3 - 4 years	6 months protection
5 – 6 years	9 months protection
8 years service or longer	12 months protection

For guidance on the definition of 'Reckonable Service' – please see Definitions in Appendix 2.

6. PROTECTION OF CONDITIONS OF SERVICE: NOTICE PERIOD

Employees required to move to a new post are entitled to protection of the period of notice appropriate to their former substantive post.

7. PROTECTION OF CONDITIONS OF SERVICE: LEASE CAR

Employees who are not entitled to a lease car in their protected post will be entitled to retain the use of the vehicle, with the appropriate deductions until the end of the three year lease period. The individual will not be penalised by any costs arising from the organisational change. In addition should the employee wish to return that lease car, there will be no penalty applied for that early return of the car.

8. EXCESS MILEAGE

Employees required to move to a new post which is in a location different from their former base will be able to claim reimbursement of the excess mileage at public transport rate for a period of up to 4 years from the date of transfer (refer to paragraph 17.2 of the Terms and Conditions Handbook). This reimbursement will be subject to the appropriate Inland Revenue and National Insurance contributions.

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9. HOURS

Staff subject to protection will have their entitlement to long and short term protection based on their contracted hours prior to the organizational change. Full time staff subject to the assimilation of their full time hours over a period under Agenda for Change in relation to their occupational group, will still be subject to that period of transition, irrespective of the role they undertake during any protection period.

10. ANNUAL LEAVE

Entitlement to annual leave, based on service as laid down under Agenda for Change, will continue unaffected by the organisational change.

11. The interaction between Agenda for Change and Organisational Change Protection

It is recognized that staff subject to Agenda for Change Protection may also become subject to Organisational Change Protection. It is further recognised that the following arrangements will only be applicable as an interim measure for organisational changes in the period up to 2010, when Agenda for Change Band Protection could be applicable.

The periods of protection under both arrangements will run concurrently. The entitlement to both will be calculated and that the more beneficial or higher level be paid for the relevant period. In the majority of cases this is likely to be the Agenda for Change Protection. The employee will be advised and consulted on the level and length of protection applicable under both arrangements and will confirm agreement to the application of the more beneficial arrangements for any relevant period.

12. PRESERVATION OF RIGHTS

Nothing in this agreement shall apply in respect of, or affect the validity of, any terms and conditions of service or any protection of other arrangements concurrently applicable to, or currently enjoyed by an employee by virtue of any statutory provisions.

13. APPEALS

Appeals arising out this agreement shall be dealt with in accordance with the Trust/PCTs Grievance Procedure.

14. REVIEW PERIOD

~~This policy will be reviewed in the light of organisational need, changes in legislation or at the request of management or staff side representatives~~

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Organisational Change Protection Arrangements Policy

Definitions

Basic Pay :

The weekly/monthly sum due in respect of basic hours worked by the individual concerned, within the standard working week (i.e. hours within 37.5 hours or within the protected level of full time standard working hours in operation for the postholders profession), plus any long term recruitment and retention premia which has been agreed for the profession/post in which the person is subject prior to the organizational change . Payments listed as additional earnings in the definition of “protectable earnings” are excluded. Basic pay under the provision of these arrangements is protectable on a ‘mark time’ basis for periods specified in Section 4 above.

Protectable Earnings (Short Term Protection)

The basic wage or salary of the former post plus any of the enhancements or allowances shown in the following Schedule to which the employee was entitled in the former post. The amount of the protectable earnings shall be based on the weekly or monthly average over the twelve months immediately preceding the first day of employment in the new post.

Schedule :

Unsocial Hours Payments
On-call payments
Shift Allowances (for former Ancillary staff)

Reckonable Service

Service up to the date of implementation of the organizational change, and means continuous full-time or part-time employment with the present or any previous NHS employer since age 18.

Where there has been a break in service of twelve months or less the period of employment prior to the break will count as reckonable service.

Periods of employment as a trainee with a General Medical Practitioner in accordance with the provisions of the Trainee Practitioner Scheme will count as service.

The following employment will not count as reckonable service:

employment which has been taken into account for the purposes of a previous redundancy or loss of office payment by an NHS employer;

where the employee has previously been given pension benefits, any employment which has been taken into account for the purposes of those pension benefits.

Downgrading

A move to a post one band below the band of the previous substantive grade of the employee.

Staff will only be offered a post as a consequence of organisational change as 'suitable alternative employment' under the provisions of these protection arrangements on one band below that of their substantive post.