

Public Services Ombudsman for Wales
Organisational Change Policy & Process

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1.0 Introduction

1.1 The purpose of this document is to provide a framework by which the organisation will implement any significant changes to the nature, size and organisation of its workforce. This document applies to all individuals and teams affected. The aim of this document is:

- To set out the steps to be taken during organisational restructure.
- To ensure fairness and equity throughout the process, ensuring employees are well supported and treated sensitively at all times.
- To protect the continued employment of staff, wherever possible.
- To ensure compliance with relevant legislation.
- To ensure that employees affected by the proposed changes are not discriminated against, either directly or indirectly, on the grounds of any one of the protected characteristics under the Equality Act 2010.

1.2 This policy and process does not apply to moving of staff within and between teams, changes to line management arrangements or changes to individual job descriptions where there is no substantial change in duties and responsibilities. These matters are considered to be part of normal operational management of the organisation.

2.0 Principles

2.1 PSOW is committed to the following principles in implementing organisational change:

- Fair and equitable treatment for staff collectively.
- Openness and transparency.
- Avoiding redundancies where possible.
- Meaningful consultation with staff and representatives, allowing adequate time for comments and feedback.
- Making reasonable efforts to inform and consult staff away from work on extended leave (e.g. maternity / sick leave).
- Engagement with staff throughout the process.

3.0 Reasons for change

3.1 The need for organisational change may arise from financial constraints, changes in legislation or changes in the way that the Ombudsman wishes to organise and / or deliver services.

3.2 The reasons for change, and the rationale of the specific proposals, will be explained to staff.

4.0 Consultation

- 4.1 Management Team will consider and agree proposed changes. A report will be prepared setting out the reasons for change and the proposals. Where substantial change is proposed the Ombudsman will generally report the reasons for change and the broad proposals to members of the Advisory Panel.
- 4.2 A formal consultation process will then be undertaken. This will include formal notification to, and engagement with, Trade Union representatives of recognised Trade Unions. This will be undertaken through staff representatives of recognised Trade Unions where these are in place, or Trade Union full time officers.
- 4.3 All staff affected by the proposed restructure process will receive timely and accessible information relevant to their personal circumstances. This will entail:
- Notification to, and engagement with, staff and staff representatives.
 - A staff meeting to explain the proposed changes and give an opportunity for staff to ask questions.
 - The provision of a paper setting out the rationale for, and impacts of, the changes.
 - Allowing a period of time (at least 15 days) for staff to and representatives to reflect on the proposed changes, ask any further questions and give full comments which will be considered.
 - Calling a meeting of the Representative Council .
 - At the end of the consultation process, management team consideration of comments received, decision on any modifications to the proposals and on the effective date for the changes.
 - Communication of the outcome and an effective date for the change.
 - Staff will be offered the opportunity to have one-to-one meetings with management to discuss the personal impacts of the change.

5.0 Process for filling posts

- 5.1 Following the end of the consultation process, the approved structure will be published and a logical, fair and transparent process will be put in place to fill posts in the new structure. This will generally start with the more senior posts and progress to the more junior posts. This stage of the process will be as follows:
- 5.2 **Stage 1 'Slotting in'**
Members of staff will be automatically slotted-in to a post in the new structure where they meet the following criteria:
- Their posts under the old structure are not included in the new structure.

- The posts are deemed to be equivalent or similar in nature .
- There is no significant grade or salary change.
- The number of similar available posts is no less than the number of current postholders.

All individuals who are slotted-in will meet with the relevant line manager to explore the new role and to discuss, review and agree any training or development needs.

If the criteria above are not met, the Stage 2 process will be followed.

5.3 **Stage 2 Closed pool recruitment process**

Where slotting in cannot take place because there are too few posts for the number of affected staff, all staff whose (due to an imbalance between the number of posts and post holders) all those remaining affected posts will be invited to take part in a closed pool recruitment process. In this Stage staff may apply for suitable jobs in the new structure where:

- Their posts under the old structure are not included in the new structure.
- The posts are deemed to be equivalent or similar in nature.
- There is no significant grade or salary change.

Members of staff will be required to apply for the new role. The selection process will involve shortlisting based on applications, followed by interviews of shortlisted candidates. The process may include written or practical tests.

All individuals who are appointed will meet with the relevant line manager to explore the new role and to discuss, review and agree any training or development needs.

If the criteria above are not met, the Stage 3 process will be followed.

5.4 **Stage 3 – Ring-fenced recruitment process**

If the criteria for Stages 1 and 2 are not met, or if vacant posts in the new structure remain after completion of Stages 1 and / or 2, affected members of staff will be invited to apply for the remaining jobs **where there would be no significant grade or salary increase.**

Members of staff will be required to apply for the new role(s). The selection process will involve shortlisting based on applications, followed by interviews of shortlisted candidates. The process may include written or practical tests.

This Stage applies where the new posts are **not** equivalent or similar in nature and applicants will need to demonstrate that they are suited to the role. Those that do not, will not be shortlisted.

All individuals who are appointed will meet with the relevant line manager to explore the new role and to discuss, review and agree any training or development needs.

5.5 Stage 4 – Internal and External recruitment process

Remaining unfilled posts will be advertised simultaneously internally and externally. Any staff member may apply, whether or not their existing duties are similar and whether or not the salary and grade are similar to their current salary / grade.

Where appropriate prior consideration may be given to internal staff where their appointment would directly or indirectly avoid redundancy. This will be determined on a case by case basis and made clear at the stage that applications are invited.

Members of staff will be required to apply for the new role(s). The selection process will involve shortlisting based on applications, followed by interviews of shortlisted candidates. The process may include written or practical tests.

Applicants will need to demonstrate that they are suited to the role. Those that do not will not be shortlisted.

All individuals who are appointed will meet with the relevant line manager to explore the new role and to discuss, review and agree any training or development needs.

6.0 Suitable Alternative Employment (SAE)

6.1 Following the recruitment processes in section 5 above, any affected staff member who has not been appointed to a new post (whether because they have opted not to apply or because they applied but were unsuccessful) will offered suitable alternative employment (SAE) if that is available.

6.2 An offer of suitable alternative employment may be in a post that is broadly similar in nature to the candidate's substantive post but may be at a lower grade than their current one. If there is any uncertainty as to the suitability of proposed alternative employment, appropriate advice will be sought.

6.3 Should the member of staff accept a lower graded post they will receive pay protection at their substantive grade in accordance with section 8 below.

6.4 If a member of staff refuses an offer of suitable alternative employment this will be treated as though they have resigned from their post. If there is no suitable alternative employment available, redundancy will be considered in accordance with section 7.

7.0 Redundancy

- 7.1 Wherever possible redundancies will be avoided through managing the natural turnover of staff, restrictions on recruitment, retraining and redeployment, seeking requests to reduce hours, seeking suitable alternative employment and / or terminating employment of any temporary or contract staff.
- 7.2 Where budget reductions are known in advance or anticipated, or where significant restructuring is planned, the Ombudsman will aim to manage human resources to minimise the likelihood of redundancies.
- 7.3 However in a small organisation with limited staff turnover it will not always be possible to avoid redundancies. Where redundancies are necessary, the Chief Operating Officer and / or the Ombudsman will seek advice from the HR adviser at an early stage and will ensure that statutory requirements and processes are understood and followed. Where redundancies arise from restructuring, consultation will be as set out above. Where redundancies are the result of financial pressures or budget reductions, staff and trade unions will be consulted.
- 7.4 Once the number and details of posts that will become redundant are known, selection criteria will be used so that the process is objective, fair and consistent. The selection will seek to maintain a balanced workforce that will meet the organisation's requirements.
- 7.5 The following criteria will be used to determine the individual members of staff, from any affected group or pool of staff where reductions in staff numbers are required, to be made redundant:
- **standard of work performance**
 - **aptitude for work**
 - **skills or experience**
 - **formal qualifications and advanced / specialist knowledge or skills**
 - **attendance record**
 - **disciplinary record (you should ensure this is fully accurate).**
- 7.6 Applications for voluntary redundancy may be invited from staff in an affected group or pool of staff. Where this occurs, any applications for voluntary redundancy will be considered before compulsory redundancies are considered. A decision as to whether to approve voluntary redundancy will be made in the light of the business case (costs and savings) and the needs of the organisation.

7.7 Appeals may be made on the grounds that there was a failure to follow process, or a failure to apply the principles of this process which has led to significant detriment to the individual concerned. Appeals will be considered in accordance with section 9 below.

7.8 Members of staff who are members of the Civil Service Pension Scheme will have redundancy payment calculated in accordance with the Civil Service Compensation Scheme, as required by the Pension scheme. Those who are in the Local Government Pension Scheme will have redundancy payments determined in accordance with the Cardiff Council redundancy scheme in place at the time. Members of staff in neither of these pension schemes will have redundancy payments calculated in accordance with statutory requirements.

7.9 No enhancements that have a cost to PSOW will be agreed.

8.0 Protection of Pay and Conditions

8.1 If as a consequence of organisational change an employee is redeployed to a different post that attracts a lower salary, or lower level of regular earnings, the following pay protection arrangements will apply. (This will not apply where a member of staff is deployed to a lower graded post in accordance with the performance management policy and process.)

8.2 All affected members of staff will receive pay protection for a period of up to four years. Pay will be frozen at the same monetary value for a maximum of four years, with no inflation or cost of living increases, and no increments will be paid.

8.3 Pay protection will cease at the earlier of:

- four years from taking up the new role; or
- when the salary associated with the new role or post matches or exceeds the protected salary.

8.4 From the end of the protection period, the member of staff will receive the salary associated with the new role.

8.5 Staff benefiting from pay protection will be encouraged to apply for appropriate posts of a higher salary/ grade as and when they arise. Protection will cease if the employee voluntarily moves to a new post, regardless of the salary associated with the new post.

9.0 Appeals

- 9.1 Appeals will only be considered where an appeal is submitted on the grounds that there was a failure to follow process, or a failure to apply the principles of this process, which has led to significant detriment to the individual concerned.
- 9.2 The member of staff must set out the appeal in writing, stating the grounds for the appeal, to the Chief Operating Officer & Director of Investigations no more than 10 days after having received written confirmation of the decision to be appealed. This period may be extended where the member of staff is unwell or on leave.
- 9.3 The reasons for appeal should make it clear if the appeal is:
- Identifying a failure to follow due process which has led to a significant detriment to the individual concerned; or
 - Identifying a failure to apply the principles of this process which has led to a significant detriment to the individual concerned; and
 - State what the detrimental effect has been on the individual
- 9.4 An appeal panel will be convened consisting of the Chief Operating Officer & Director of Investigations or the Ombudsman. The Ombudsman's HR Adviser will be consulted and may also attend.
- 9.5 The purpose of the appeal panel is to consider the issues raised in the appeal letter.
- 9.6 On receipt of the appeal letter the member of staff will be invited in writing to attend an appeal meeting to consider the appeal.
- 9.7 Individuals will have the right to be accompanied by a trade union representative or a work colleague at an appeal hearing. At least 7 working days' notice of the meeting will be given. If a work colleague is accompanying the member of staff then they will be allowed reasonable time off from duties without loss of pay.
- 9.8 PSOW may allow staff to bring a companion who is not a colleague or union representative where this will help overcome a particular difficulty caused by a disability.
- 9.9 The member of staff will be notified of the outcome of the appeal in writing as soon as possible after the appeal and normally within 5 working days. This period may be extended if there are extenuating circumstances.
- 9.10 The decision of the appeal panel will be final.

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