
Organisational Change Policy

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1 Introduction

1.1 The purpose of this Policy is to provide a framework for the implementation of significant changes to the nature, size and organisation structure. This Policy, applies to all individuals and teams affected and aims to:

- set out the steps to be taken during significant organisational restructures
- ensure fairness and equity throughout the process, ensuring employees are well-supported and treated sensitively at all times
- protect the continued employment of staff, wherever possible
- ensure compliance with relevant legislation
- 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
- provide reasonable adjustments to disabled staff in all aspects of the organisational change process in line with our duties under the Equality Act 2010.

1.2 This policy and process does not apply to the internal movement 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 the normal operational management of the organisation.

2 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

2.2 Where an affected member of staff has requested employment-related correspondence in Welsh, this will be reflected in the implementation of the policy.

3 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 chooses 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 Consultation

4.1 Management Team will consider and agree proposed changes. A report will be prepared setting out the reasons for change and the actual details of the change(s), along with the appropriate Equality Impact Assessment. 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, as per statutory consultation requirements. 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, where there are no staff representatives in place. The organisation will ensure that the consultation format is accessible to all staff members and make reasonable adjustments where appropriate.

4.3 All staff affected by the proposed changes will receive timely and accessible information relevant to their personal circumstances. This will include:

- notification to, and engagement with, staff and staff representatives
- a meeting with the staff affected by the proposed changes to explain

- the changes and give an opportunity for staff to ask questions
- the provision of a paper or suitable alternative communication for those who are disabled, setting out the rationale for, and impacts of, the changes
- allowing a period of time (at least 14 days) for staff and representatives to reflect on the proposed changes, ask any further questions and receive clarification as appropriate
- an opportunity to provide feedback on the proposal(s) which will be considered as part of the decision making process
- at the end of the consultation process, Management Team will consider the comments received from staff and their representatives, modify the proposals post consultation if appropriate and decide whether to implement the proposals or not. If the decision to proceed is taken, Management Team will decide on the effective date of the changes
- communication of the outcome and an effective date for the changes
- staff will be offered the opportunity to have one-to-one meetings with management to discuss the personal impacts of the change.

5 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 higher graded posts and progress to the lower graded posts. This stage of the process will be as follows.

Stage 1 – ‘Slotting in’

5.2 Members of staff will automatically be slotted-in to a post in the new structure where they meet the following criteria:

- their post under the old structure is not included in the new structure
- the new post is deemed to be equivalent or similar in nature, this generally means an 80% match
- there is no significant grade or salary change

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- the number of similar available posts is no less than the number of current postholders

5.3 Where a suitable post exists in the new structure (as per the criteria in 5.2), the individual will be expected to slot into the new post. If they choose not to slot in, they will be considered as resigning from their employment. Redundancy is not an option for individuals, where a suitable alternative post is available.

5.4 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.

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

Stage 2 – Closed pool recruitment process

5.6 Where slotting in cannot take place because there are fewer posts in the new structure at the same level, than people displaced. Staff members who are broadly the same grade will form a “pool” and 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

5.7 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.

5.8 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.

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

Stage 3 – Ring-fenced recruitment process

- 5.10 If, after completion of Stages 1 and 2 of this Policy as appropriate, vacant posts in the new structure remain, the remaining posts will be ring fenced to those members of staff still displaced as a result of the change. Affected members of staff will be given prior consideration for the vacancies and invited to apply for the remaining jobs where there would be no significant grade or salary increase.
- 5.11 Displaced 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.
- 5.12 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.
- 5.13 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.

Stage 4 – Internal and External recruitment process

- 5.14 After the conclusion of the first three stages of the 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 or grade.
- 5.15 Where appropriate and at the Ombudsman's discretion, 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.
- 5.16 Members of staff who may remain at risk of redundancy, 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.

- 5.17 Applicants will need to demonstrate that they are suited to the role. Those that do not will not be shortlisted.
- 5.18 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 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 (either because they have opted not to apply or because they applied but were unsuccessful) will be 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 post.
- 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, they will be considered to have resigned from their post. If there is no suitable alternative employment available, redundancy will be considered in accordance with section 7.

7 Redundancy

- 7.1 Wherever possible redundancies will be avoided through managing the natural turnover of staff, this may include; 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

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Business Partner 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 at the earliest possible opportunity.

- 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 selection 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:
- work performance, PRDP and monthly progress reviews
 - skills and experience
 - formal qualifications and advanced/specialist knowledge or skills
 - attendance record
 - disciplinary record.

Absences or performance issues recorded which were due to disability, maternity, gender reassignment or menopause will not be included when applying the selection criteria.

- 7.6 If a voluntary redundancy scheme is in operation, 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 initiated. A decision as to whether to approve an application for voluntary redundancy will be made in light of the business case (costs and savings) and the needs of the organisation. There are no guarantees that an application for voluntary redundancy will be granted. Applications will be dealt with on a case by case basis and in the strictest confidence.
- 7.7 If an individual is selected for compulsory redundancy, they have a right of appeal against that decision. 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

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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. Members of staff not in the pension scheme will have redundancy payments calculated in accordance with statutory requirements.
- 7.9 Following redundancy the rules of the Civil Service Compensation Scheme, which include pay back of compensation if staff are re-engaged (or engaged by another organisation covered by the Civil Service pension and compensation arrangements), will apply.
- 7.10 No additional enhancements that have a cost to PSOW will be agreed.
- 7.11 Support will be provided to staff who are to be made redundant which will include options for advice and training to prepare those individuals for the labour market. The specific support needs of the individual subject to redundancy will be identified when notice of redundancy is issued and tailored to their individual circumstances.

8 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. Pay protection only applies in a potential redundancy situation and does not apply in any other situation.
- 8.2 All affected members of staff will receive pay protection for a period of 2 years. Pay will be frozen at the same monetary value for a maximum of 2 years, with no inflation or cost of living increases, and no increments paid.
- 8.3 Pay protection will cease at the earlier of:
- 2 years from taking up the new role
 - 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 may of course apply for other posts. Protection will cease if the employee voluntarily moves to a new post.

9 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 Human Resources Business Partner who will arrange consideration by a Manager more senior than the decision maker. An appeal must be submitted no more than 10 days after having received written confirmation of the decision. This period may be extended where the member of staff is unwell or on leave. In the event of the COO/DOI lodging an appeal against a decision made by the Ombudsman, the COO/DOI should submit the appeal to the Chair of the Advisory Panel who will convene an Appeal Panel in line with its' Terms of Reference.
- 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
 - identifying a failure to apply the principles of this process which has led to a significant detriment to the individual concerned
 - state what the detrimental effect has been on the individual
- 9.4 If the criteria in 9.3 are met, an Appeal Hearing will be convened and the staff member will be notified in writing and given at least seven working days' notice of the Appeal Hearing.
- 9.5 The staff member will have a right to be accompanied by a trade union representative or a work colleague at an Appeal Hearing. If a work colleague is accompanying the member of staff, then they will be allowed reasonable time off from duties without loss of pay. It is for the staff member to arrange for their TU or work colleague to accompany them to the Hearing.

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- 9.6 PSOW will consider an application by the staff member who has a disability covered by the Equality Act, to bring a companion who is not a colleague or TU representative, where this will help overcome a particular difficulty caused by a disability.
- 9.7 The member of staff will be notified of the outcome of the Appeal Hearing 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.
- 9.8 The decision of the Appeal Panel will be final.

All queries about this document can be directed to
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