



Reorganisation and Redundancy Policy and Procedure



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Please note this policy relates to those on former CWH terms and conditions only.

Overview

- It is the intention of CityWest Homes (CWH) to provide a stable work environment and reasonable security of employment for its employees whilst maintaining the economic viability of the organisation.
- The procedures outlined below aim to ensure a consistent and fair approach to managing reorganisations and redundancy situations and aim to enable managers to manage reorganisations and redundancies in accordance with good human resource practice and within the scope of the law.

Key principles

- Where structural changes (arising from financial, organisational, technical, market or other factors) are either required or proposed, management will take all practical steps to minimise the adverse effects on employees by following this policy and the procedures set out below.
- This policy and the procedures outlined below are not intended to cover situations where there are some minor changes to working practices and/or duties which may be discussed between a manager and an employee or group of employees in a particular area. Minor change situations should be considered as part of the normal day-to-day interaction between management and staff.
- In dealing with the staffing consequences of reorganisation and change management, management and HR will consult with the relevant Trade Unions and all affected employees in good time. No final decision about

any significant reorganisation proposals will be made until after the relevant consultation process has been followed.

- Where reorganisation or change proposals may lead to the possibility of redundancies, the redundancy procedure as detailed below, will apply.

Reorganisation procedure

The Proposed structure

- All employees affected by a proposed restructure will be informed and consulted with.
- A structure chart showing the proposed organisational structure will be made available to all affected employees along with any job descriptions or additional information that may be relevant. Employees will be given the opportunity to ask management any questions or queries they have about the new structure or the reorganisation process.

Employees affected by a reorganisation

- Employees affected by a reorganisation will be ring-fenced to suitable alternative posts within the new structure.
- Employees will be asked to submit a post preference form outlining their preferences within the new structure and to provide any supporting evidence that may be required.
- Every effort will be made to redeploy employees displaced as a result of a reorganisation elsewhere within the organisation.
- Employees displaced due to a reorganisation will be entitled to priority consideration for vacant posts and will be interviewed for vacant posts where they meet the minimum criteria. Employees should indicate on their application form that they are subject to a reorganisation. If requested, management should provide reasons in writing, within 5 working days of the request, for not appointing.
- Training to enable displaced employees undertake a new role will be considered on an individual basis, subject to the reasonableness of costs involved and the employee's potential to benefit from such training. Employees may request reasons, in writing, where training is not agreed.

Moving to a new role

- Employees who are redeployed to a suitable alternative post as part of a reorganisation will be entitled to a trial period of 4 weeks.

Redundancy

- It is the intention of CWH to manage its business in a manner which results in secure employment for its employees. That said, circumstances may arise where changes in organisational requirements necessitate the need for reductions in staffing levels, leading to subsequent redundancies. Where there is likely to be a redundancy situation, managers should ensure that they comply with the redundancy procedure outlined below.
- CWH will seek to avoid dismissals due to redundancy and will:
 - make every effort to redeploy staff;
 - give priority consideration to staff who are in a redundancy situation;
 - make training available where appropriate, subject to costs and individual potential to benefit; and
 - allow a 4 week trial period where an employee is redeployed.
- Redundancy will be a last resort and only where it has not been possible to redeploy displaced staff.
- CWH cannot make a redundancy payment unless it is required by law.

Redundancy Pay

- Employees with a continuous service of 2 years or more will be eligible for a redundancy pay.
- Employees will be paid 1.5 week's pay for every complete years of service. For example, if you have worked for 9 years 3 months and your salary is £52,000 per annum your redundancy pay will be as follows:

Redundancy pay = $(1.5 \times 9) \times 1 \text{ week's pay} = 13.5 \times £1000 = £13,500$

Definition

- Redundancy occurs where:
 - the employer stops carrying out the business for which the employee was employed;
 - the employer carries out the business in a different place;
 - the need for work of a particular kind has ceased or diminished in the place where the employee was employed; or
 - the need for work of a particular kind has ceased or diminished e.g. the work has substantially changed, fewer employees are required to carry it out, or it is not required at all – this is the most common reason for redundancy in a reorganisation.

Formal Consultation

- Where the possibility of collective or individual redundancies arise, both management and HR will enter into consultations with Trade Union representatives with a view to establishing whether the proposed job loss(es) can be achieved by means other than compulsory redundancy. As part of the consultation process, management and HR will seek the Trade Union's views on proposed selection criteria and the method of selection.
- Formal employee consultation will take place in accordance with statutory requirements in place at the time. Acceptable timescales for the consultation process will vary, dependent on specific circumstances. Employees have the right to be accompanied to a formal consultation meeting by a work colleague or trade union representative, if appropriate there may be more than one consultation meeting.
- Following consultation meetings, a decision will be reached as to whether or not the position is redundant and written details will be provided. The employee will have a right to appeal any decision made.
- Employees who express a wish to be considered for voluntary redundancy will not necessarily be declared redundant. Management requirements and other suitable alternative jobs within the organisation will also be considered.

Time off to seek alternative employment

- Subject to the operational needs of CWH, employees will be given permission to take time off work during their notice period to look for work or to seek retraining opportunities in accordance with current legislation.

Manager responsibilities

- Managers have responsibility to:
 - ensure that they undertake a meaningful consultation with employees involved in a reorganisation or whose posts may be at risk from redundancy;
 - ensure all stages of the procedures including any briefing or meetings are documented and shared with employees as necessary;
 - give priority consideration for appointment to displaced employees or employees affected by organisational changes and interview displaced employees from sections undergoing a review if they meet the minimum criteria for the vacant post; and

- if requested by the applicant, provide written reasons, within 5 working days for not appointing/not approving a training request.
- Managers in sections undergoing a reorganisation must:
 - inform HR;
 - stop advertising posts externally;
 - stop making permanent appointments; and
 - consult and communicate with employees and Trade Unions at the earliest opportunity.

Employee responsibilities

- Employees have responsibility to:
 - follow the stages of these procedures in sequence and adhere to the timescales contained within these procedures; and
 - make all reasonable efforts to attend any briefings or meetings and to ensure their companion (if relevant) is available to attend the meetings.

Appendix 1

Additional sources of help and advice

Relevant Legislation

- Collective Redundancies and Transfer of Understandings (Protection of Employment) (Amendment) Regulations (1999).
- The Employment Rights Act (1996).
- Trade Union and Labour Relations (Consolidation) Act (1992).

Useful resources

The Advisory Conciliation and Arbitration Service

- Helpline 08457 47 47 47 (employers & employees)
- Advisory Booklet – Redundancy Handling
- www.acas.org.uk

The Department for Business Innovation and Skills

- www.bis.gov.uk

The government's online resource for businesses

- www.businesslink.gov.uk

Health Assured

- CWH Employee Assistance Provider
- Free phone number 0800 030 5182
- www.healthassuredeap.co.uk

Direct Gov

- The official UK government website for citizens
- www.direct.gov.uk

The Department for Work and Pensions

- www.dwp.gov.uk

HM Revenue and Customs Office

- www.hmrc.gov.uk

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