

Oxford City Council
Organisational Change Policy

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1. Policy Statement

1.1) It is the policy of Oxford City Council to ensure that changes to the organisation are handled lawfully, sensitively, humanely and consistently to make sure that the City Council meets the needs of its residents and changing requirements and duties that Oxford City Council has.

1.2) It is recognised that staffing needs may be affected from time to time. Oxford City Council will seek to minimise the need to use compulsory measures by considering the use of flexible working, redeployment, voluntary redundancy and early/flexible retirement.

2. Scope

2.1) This policy applies to all employees regardless of whether they are permanent or on a fixed term contract.

3. Key Principles

3.1) This Policy is underpinned by the following key principles:-

3.1.1) Change is normal in any organisation and makes an essential contribution to the development of Oxford. Oxford City Council achieves organisational change flexibly and responsively, by applying principles and following formal procedures appropriately.

3.1.2) Employees are reassured that when change is planned they will have a say at an early stage and will be treated reasonably and fairly, and in accordance with Oxford City Council policies and procedures.

3.1.3) Managers will be empowered to bring about change in the services for which they are responsible.

3.1.4) Oxford City Council will fulfil its legal obligations as an employer.

3.1.5) Managers will give consideration to individual circumstances when making changes to duties and roles.

3.1.6) Employees who are affected by organisational change are expected to be flexible and open-minded in considering reasonable changes to their job duties, role and reporting lines.

3.1.7) Oxford City Council will consult with employees and recognised trade unions at the planning stage (i.e. while developing proposals) and on implementation plans once a decision is made.

3.1.8) Oxford City Council will consult with employees and recognised trade unions over proposals for allocating employees to new jobs in line with all legal requirements and good employment practice, within a Business Unit or on an organisation-wide basis as appropriate.

3.1.9) Oxford City Council will select employees fairly for posts in a restructured organisation.

3.1.10) Oxford City Council will consider the diversity implications of any re-organisation through impact assessments and ensure that no one potentially affected by the re-organisation is subject to any unfairly discriminatory treatment.

3.1.11) While Oxford City Council will take account of all relevant circumstances that apply to affected employees, Oxford City Council reserves the right to make an offer of redeployment, on either a temporary or permanent basis, only where Oxford City Council considers that the appointment is appropriate, subject to reasonable training.

3.1.12) Managers should work constructively to minimise periods of disruption and uncertainty in organisational change, on the basis that employees will maintain organisational efficiency by continuing to carry out their work to the best of their ability.

4. The Nature of Organisational Change

4.1.1) The majority of organisational change is positive, which takes place without having a detrimental impact on the employment status or terms and conditions of employees. Indeed, it may often be seen as an opportunity for career development and to gain new skills and experience. However, it is important that managers take into account the impact of organisational change on employees, and the associated costs, at an early stage in planning the change, and apply an integrated approach to managing it.

4.1.2) Organisational Change can take place at several levels; from those affecting individuals only, to those affecting a business unit, up to those affecting the whole organisation.

4.2) Changes affecting individuals only

4.2.1) From time to time all services need to change internally, for example to meet their customers' needs more efficiently. These changes may involve a simple re-organisation of work allocation or a straightforward change in the way that tasks are carried out. Where there is no anticipated reduction in the number of positions required in the unit and the changes are not significant, these re-organisations will involve consultation with employees and recognised trade unions. Documentation will generally be minimal, however, where the terms or conditions of contract is effective it must be in writing and the principles and relevant parts of this document will be followed.

4.3) Changes affecting a Business Unit only

4.3.1) Sometimes a Business Unit re-structure means that jobs change more significantly or the number of posts required within the Business Unit/directorate appears to be diminishing. In these circumstances, the key principles of this Policy will be followed and consultation will take place with employees and unions at a local level at the early planning stages. However, with this sort of Business Unit restructure, timescales should not be protracted.

4.4) Changes affecting the whole of Oxford City Council

4.4.1) Occasionally an external force (such as a change in legislation) or an internal need (such as improving efficiency) means that more complex organisational change needs to take place. Typically, this would mean the cessation of a service, or a restructure involving more than one service or Business Unit/directorate. In these circumstances this full procedure will be followed, and consultation will take place with employees and unions at an organisational level, across the potentially affected services or Business Unit/directorates, in the early stages of planning. Depending on the numbers involved, this type of organisational change can take significantly longer to achieve, and may involve compliance with minimum consultation periods in accordance with legislation.

5. Approval Levels

The following details the level of change and the authority required to proceed before going in to detailed planning:-

Level	Authorisation Levels	Notes
Individual changes (4.2 above)	Business Unit Managers	
Business Unit (4.3 above)	Strategic Director	With discussion at SMB prior to sign off.
Oxford City Council wide (4.4 above)	SMB or Chief Executive	Potentially the proposal may need to be discussed at Executive Board.

At all levels, the advice of HR and Finance must be sought and evidenced, prior to seeking authorisation.

6. Role & Responsibilities of Strategic Directors / Business Unit Managers

6.1) It is the manager's role to lead and ensure that the change takes place. To that end, they have the following responsibilities:-

6.2) To consult HR at an early stage in planning organisational change for advice on employment implications, to ensure consistency of action and to avoid difficulties with recognised trade unions, groups or individual employees.

6.3) To identify, in consultation with HR, the potential scale of the change and the appropriate route to follow.

6.4) To ensure that appropriate and effective communication with employees and their representatives, at all times.

6.5) To make and be accountable for decisions for their responsible areas.

7. Role & Responsibilities of Human Resources

7.1) It is the role of HR to provide advice, guidance and support to Managers. To that end, they have the following responsibilities:-

7.2) To be accountable for the advice they provide, which must be consistent, clear, correct and timely.

7.3) To be knowledge experts in the application of the Organisational Change Policy and Procedure (including supporting policies and procedures).

8. Integrated Approach

8.1) Oxford City Council will use an integrated approach to organisational change that will cover the following areas: -

8.1.1) Consultation and communication

8.1.2) Protection of terms and conditions of employment

8.1.3) Redeployment

8.1.4) Use of fixed term and temporary contracts

8.1.5) Redundancy

8.1.6) Retirement

8.2) Management Guidance Notes on the Organisational Change Policy and Procedure exist to support this approach.

9. Consultation and Communication

9.1) Oxford City Council has a legal duty to inform and consult recognised trade unions and employees involved of any changes to the organisation, which may lead to redundancies, or the termination of fixed term and temporary contracts, or to the transfer of employees to other employers. Consultation should start at an early stage and must be undertaken with a view to agreement.

9.2) Managers will plan the timing and the content of the communications and consultations with employees and recognised trade unions, and will seek advice from HR. Consideration will be given to the issues and queries raised during consultation, and where agreement is not possible, discussions will take place and reasons for decisions taken will be given.

10. Suitable Alternative employment

10.1) Where an employee is at risk of redundancy, Oxford City Council has a duty to consider whether alternative employment can be offered. 'Suitable alternative employment' can be defined as broadly similar work where the capacity, status and location are largely equivalent and with no effect on pensionable pay. In the context of duties and responsibilities, 'broadly similar work' means that the duties and

responsibilities of the new post must contain at least 50% of the duties and responsibilities of the current post. No reference will be made to the Person Specification in considering whether a post is 'suitable alternative employment.

10.2) Where an employee is either offered a position under restricted competitive selection, under selection pooling arrangements or redeployment, they will be offered a trial period.

10.3) Suitable alternative employment will always be offered where it is available, and employees who unreasonably refuse an offer of suitable alternative employment may lose any entitlement to a redundancy payment.

10.4) It is important that employees are advised of the consequences of unreasonably turning roles down. Employees who are offered a suitable alternative post would need to show that the post is not in fact 'suitable' if they feel that it should not have been offered as an alternative to redundancy.

10.5) In law, certain groups of employees – for example, those on maternity leave – have a higher level of job protection than others. Oxford City Council will always fulfil its legal obligations, and therefore priority consideration for alternative employment will be given to those who are pregnant or on maternity leave. However, they will only be appointed if the new job is deemed suitable. Managers should seek advice from HR.

11. Protection of Terms and Conditions of Employment

11.1) Managers should note that changing terms and conditions will have legal implications, which may include effectively terminating contracts of employment, and so this must only be done after advice has been sought from HR to ensure that the authority avoids unfair dismissal claims.

11.2) Where organisational changes mean that terms and conditions of employment are no longer appropriate, management will discuss the proposed changes with the individuals affected and their representatives, in accordance with the section on Consultation and Communication.

12. Redeployment

12.1) Oxford City Council's Organisational Change Procedure deals with redeployment in more detail. In general this procedure deals with employees who have become displaced as result of their job no longer being available. Oxford City Council is committed to trying to find employees in this situation reasonable alternative employment. This process is for a fixed period of 60 days, and any necessary support and assistance will be considered to facilitate this process.

13. Use of Fixed Term and Temporary Contracts

13.1) The use of fixed term and temporary contracts is a complex area of employment legislation, and for this reason it is covered in a separate procedure.

13.2) In general fixed term and temporary contracts can be useful in managing organisational change. Employment legislation designed to protect these workers from treatment which is less favourable than permanent employees, means that managers must exercise care in issuing these types of contracts in order to avoid incurring significant termination payments and claims for unfair dismissal.

14. Redundancy

14.1) Oxford City Council has a duty to ensure that its services meet the needs of its residents and are fit for purpose (i.e. to meet its legal duties and requirements). To that end, some level of voluntary or compulsory redundancy may be necessary.

15. Early/Flexible Retirement

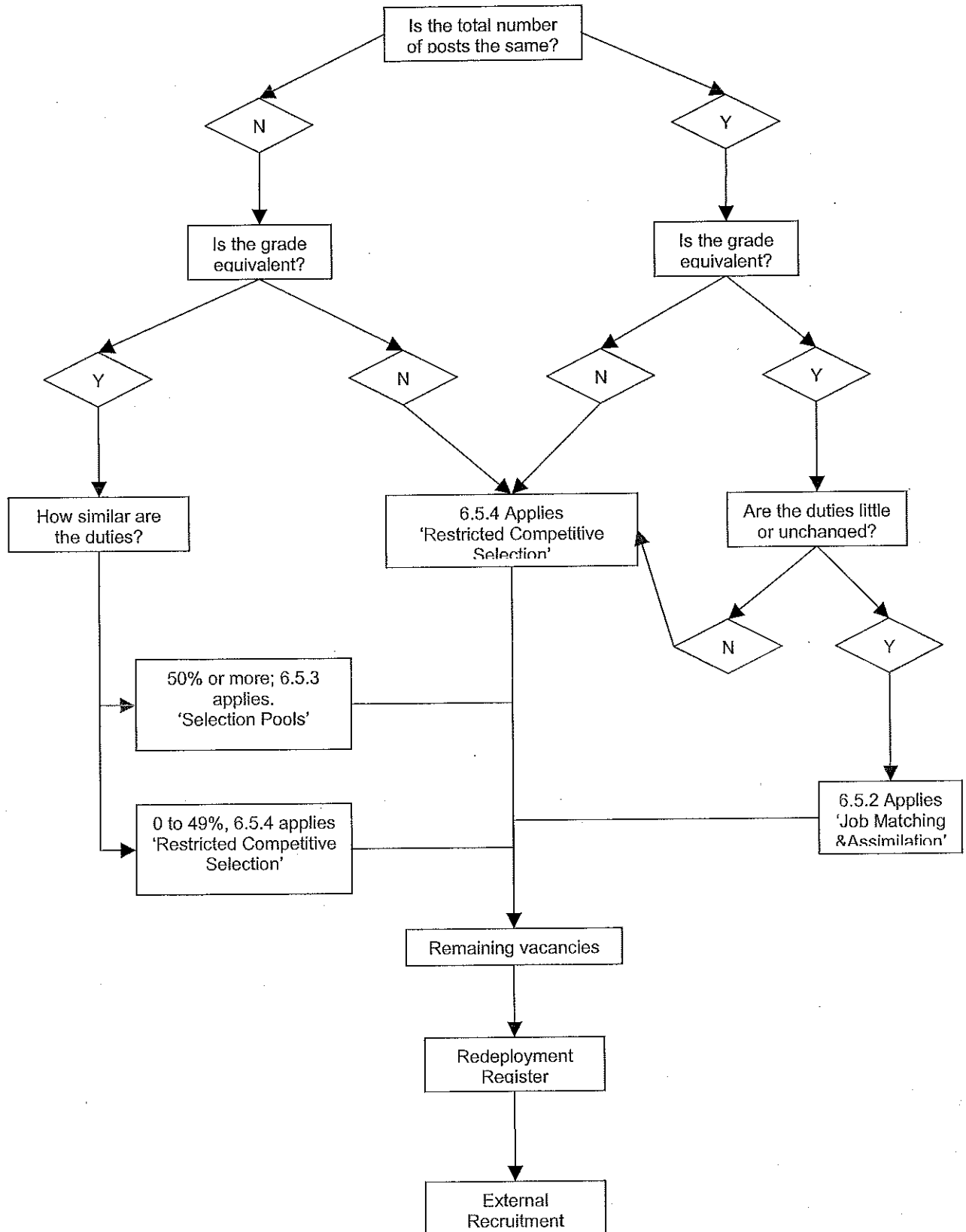
15.1) Oxford City Council is obliged to have a policy statement on retirement and this is available at Appendices 3 and 4.

15.2) In general early/flexible retirement are relatively expensive ways to facilitate organisational change and will not be agreed unless there are clear organisational benefits taking a number of factors in to account, including cost.

16. General Points

16.1) Where employees believe or recognised trade unions representatives believe that an employee has been treated unfairly they must follow the Staff Complaints Procedure if they wish to pursue their case.

Organisational Change Procedure – Allocation of Jobs algorithm



Appendix 1 – Redundancy Payment Policy Statement

It is the policy of Oxford City Council that redundancy payments will be based on the statutory calculation as amended by the Employment Equality (Age Regulations) October 2006.

'Continuous Service' includes all unbroken service with bodies listed under the Redundancy Payments (Continuity Of Employment In Local Government) (Modification) Order. A copy of this is available from HR. In general, employers who are in the local government 'family' are included. Non-local authority bodies on the Order are generally those that at some point have been funded wholly or partly by the local authority or provide a service that used to be entirely provided by an authority.

If there is a break of more than a week (running from Sunday to Saturday) between two contracts, continuity will be broken and previous service will not therefore be counted.

For redundancy purposes, a week's pay includes basic pay (in line with the relevant pay spine), and contractual payments on which pension contributions are payable, for example, bonus or productivity payments and shift allowances.

OXFORD CITY COUNCIL

Appendix 2. Policy Statement on the use of Discretions under the Discretionary Compensation Regulations 2006

INTRODUCTION

The Council is required to publish a statement on how it intends to exercise its discretions under the Local Government (Early Termination of Employment) (Discretionary Payments) Regulations 2006. These Regulations relate to severance payments that the Council may make to employees whose employment is terminated on the grounds of redundancy or efficiency of the service.

In formulating and reviewing its policy, the Council

- a. has regard to the extent to which the exercise of its discretionary powers (in accordance with the policy), unless properly limited, could lead to a loss of confidence in the public service; and
- b. is satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

Redundancy

In cases where employment is terminated on the grounds of redundancy the Council will use the governments statutory redundancy payment calculator to calculate the number of weeks pay an employee is entitled to receive.

In addition the Council may exercise its discretion to make a payment as follows:-

- 1 To calculate the payment on a weekly pay figure up to the employee's actual week's pay (ie the statutory maximum weekly pay figure is waived).
- 2 To take into account all continuous service (up to a maximum of 20 years) with bodies listed in the Redundancy Payments (Continuity of Employment in Local Government etc) (Modification) Order 1999 (as amended).
- 3 To apply a multiplier to the statutory redundancy payment calculator to calculate the number of weeks pay an employee may receive as follows:

1.11.07 – 31.10.08	Times 2.2
1.11.08 – 31.10.09	Times 2.1
1.11.09 – 31.10.10	Times 2

The Council will not:-

- 1 Allow employees in membership of the Local Government Pension Scheme to convert the amount of lump sum compensation payment (in addition to the statutory redundancy payment) into added years of pension service.
- 2 Make use of Regulation 52 of the Local Government Pension Scheme Regulations to award additional years of pension service.

Efficiency of the Service

In cases where employment is terminated on the grounds of 'efficiency of the service' the Council may exercise its discretion to make a payment as follows:-

- 1 Consider making a one-off payment, based on the merits of each case.
- 2 The payment will not exceed a maximum of 30 weeks.
- 3 Where a lump sum payment is made, it will not exceed the number of week's pay the employee would have received under the statutory redundancy scheme if they had been made redundant.

The Council will not:-

- 1 Allow employees in membership of the Local Government Pension Scheme to convert the amount of lump sum compensation payment (in addition to the statutory redundancy payment) into added years of pension service.
- 2 Make use of Regulation 52 of the Local Government Pension Scheme Regulations to award additional years of pension service.

When considering the 'merits of the case' and whether it is in the Council's interests to terminate an individual's employment on the grounds of efficiency of the service consideration will be given to financial, employee relations and any other relevant issues.

- Areas for consideration will include;
 - overall benefits to the Council taxpayer of the employee leaving the Council's service
 - direct financial savings and costs to be incurred by the employee leaving the Council's service
 - employee relations issues
 - as a general rule, the Council will seek to make a financial saving over the longer term through an efficiency termination.

Termination on the grounds of efficiency of the service does not apply where employment is terminated for other reasons such as redundancy, the ending of a fixed term contract, ill health or capability.

Local Government (Early Termination of Employment) (discretionary Compensation) (England and Wales) Regulations 2000

Some discretions under the above Regulations continue to be relevant as they apply to pension scheme members who have added years pensions in payment under the Regulations. The relevant discretions are as follows:-

Part VI – The Effect of New Employment on Part IV Compensation

If a member who is receiving a compensatory added years pension in accordance with Part IV of these Regulations is re-employed by a LGPS employer then the annual pension resulting from the award of a credited period will be reduced, or

suspended, if the combined total of earnings from the new employment and pensions in payment exceed the value of the current rate of pay of the member's former employment.

It should be noted that this adjustment is in addition to any adjustment that may be made to the basic LGPS pension as a result of re-employment with a LGPS employer. Oxfordshire County Council has a policy, which it is required to make under other Regulations as the administering Authority for the Oxfordshire LGPS fund, which is as follows: -

no abatement to be applied to pensions of less than £1500 a year or when awarded to someone retiring on their own benefits (ie without added years)
in other cases abatement will apply if new earnings and pension in payment exceed 125% of leaving pay, increased by the appropriate pension increases.

Part VII – The effect of Cessation of New Employment on Part IV Compensation

After ceasing the re-employment the credited period will be adjusted or stopped altogether if the resulting pension from the re-employment and the basic LGPS pension from the first employment exceed the value of the pension which could have been paid if the member had remained in the first employment until age 65.

Part VII – Awards to Surviving Spouses and Children

Where more than one current, legal spouse has survived a deceased person, the annual compensatory added years pension will be divided equally.
A spouse's pension will continue to be paid even if the spouse remarries or co-habits, unless at 1.4.98 a pension was already suspended due to remarriage.
In the very rare event of a children's compensatory added years pension being payable in circumstances not covered by the main Pension Regulations full details will be supplied to the appropriate officer for a determination.

Review

The Regulations require the Council to keep its policy under regular review. This policy will therefore normally be reviewed annually. The timetable for review may be altered if necessary to coincide with any changes to legislation that may have implications for the policy.

If the Council decides to change its policy, it will publish a statement of the amended policy within one month of the date of its decision.

This document is not a full statement of the law. Oxford City Council retains the right to change policies at any time, this policy confers no contractual rights and the policy that is current at the time a relevant event occurs to an employee will be the one applied to that employee.

Appendix 3. Policy Statement on the Use of Discretions Under the Local Government Pension Scheme Regulations 1997 as Amended

Introduction

The Council is required to produce a statement on how it intends to exercise its discretions under the Local Government Pension Scheme Regulations 1997 as amended.

In formulating and reviewing its policy, the Council

- a) has regard to the extent to which the exercise of its discretionary powers (in accordance with the policy), unless properly limited, could lead to a loss of confidence in the public service; and
- b) is satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

Policy

Regulation 31 – Employee’s election for early payment of benefit

The Council will consider allowing the early payment of retirement benefits for employees aged from 50 to 59 years who are active scheme members, when it can be demonstrated to be in the best interests of the Council, taking into account how it meets the Council’s business objectives, employee relations benefits, service delivery benefits, financial and funding considerations.

The waiving of pension benefit reductions will only be considered in exceptional circumstances.

Requests for early payment of deferred retirement benefits from former employees will be considered on the same criteria as above.

Regulation 35 – Requirements as to time of Payment

The Council will consider requests from employees aged 50 or over, to reduce their hours or the grade in which they are employed and have their pension benefits paid whilst continuing to be employed. A statement providing details on how the Council will consider the use of this discretion is attached at Appendix A.

Regulation 52 – Power to increase period of membership

The Council will not augment membership for active scheme members.

Regulation 67 – Shared Cost Additional Voluntary Contributions

The Council will not enter into a shared cost additional voluntary contribution scheme.

Review

The Regulations require the Council to keep its policy under regular review. This policy will therefore normally be reviewed annually. The timetable for review may be altered if necessary to coincide with any changes to legislation that affect the policy.

If the Council decides to change its policy, it will publish a statement of the amended policy within one month of the date of its decision.

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that is current at the time a relevant event occurs to an employee will be the one applied to that employee.

Appendix A Policy Statement on the Use of Flexible Retirement for Members of the Local Government Pension Scheme

This policy statement is made in accordance with Regulation 35 of the Local Government Pension Scheme Regulations 1997 as amended.

In formulating and reviewing its policy, the Council:-

- has regard to the extent to which the exercise of its discretionary powers (in accordance with the policy), unless properly limited, could lead to a loss of confidence in the public service; and
- is satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

A request for flexible retirement may occur as a result of one of the following circumstances:-

- a request to work reduced hours in the employee's existing job, which could be full or part time
- successful appointment to an other job within the Council, through the Council's normal recruitment process to a job on a lower grade and/or less hours
- a request for a reduction in grade whilst continuing to work within existing work area

In response to written requests from eligible employees for flexible retirement the Council will:-

- Consider requests for flexible retirement.
- Give consideration to the impact that the request will have upon other Council policies particularly Recruitment and Organisational Change.
- Approve requests only when it is in the Council's interests to do so. Business Managers will have to provide a proposal report for all requests they support demonstrating how it meets the Council's business objectives, employee relations benefits, service delivery benefits, financial and funding considerations.

A request should typically involve a reduction in gross salary (including contractual enhancements to pay) of 40%, either through reduced hours or level of responsibility (grade).

Once the Council has agreed to a request for flexible retirement it will not consider any requests from the employee to increase their hours or grade in the position for which flexible retirement has been agreed.

The employee's contract of employment will be amended by mutual agreement to reflect the new hours or grade, as agreed, and continuity of service will be preserved for terms and conditions purposes. They can continue in employment until they achieve the Council's Normal Retirement Age, at which point the Planned Retirement process will be initiated.

The waiving of pension benefit reductions will only be considered in exceptional circumstances.

Flexible retirements will be approved by the Chief Executive. This will be based on a proposal report from the employee's Business Manager including the comments of the Strategic Director and Head of Human Resources.

For more detail on retirement, the reader should refer to the Oxford City Council's retirement Policy.

Review

The Regulations require the Council to keep its policy under regular review. This policy will therefore normally be reviewed annually. The timetable for review may be altered if necessary to coincide with any changes to legislation that affect the policy. If the Council decides to change its policy, it will publish a statement of the amended policy within one month of the date of its decision.

This document is not a full statement of the law. Oxford City Council retains the right to change policies at any time, this policy confers no contractual rights and the policy that is current at the time a relevant event occurs to an employee will be the one applied to that employee.

APPENDIX 4

Members of the Local Government Pension Scheme

This policy statement is made in accordance with regulation 12 of the Local Government Pension Scheme (Amendment) (No. 2) Regulations 2006 ('the regulations'). This policy will be reviewed annually. If the Council decides to change its policy, it will publish a statement of the amended policy within one month of the date of its decision.

In formulating and reviewing its policy, the Council:-

- has regard to the extent to which the exercise of its discretionary powers (in accordance with the policy), unless properly limited, could lead to a loss of confidence in the public service; and
- is satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

A request for flexible retirement may occur as a result of one of the following circumstances:-

- a request to work reduced hours in the employee's existing job, which could be full or part time
- successful appointment to an other job within the Council, through the Council's normal recruitment process to a job on a lower grade and/or less hours
- a request for a reduction in grade whilst continuing to work within existing work area

In response to written requests from eligible employees for flexible retirement the Council will:-

- Consider requests for flexible retirement.
- Give consideration to the impact that the request will have upon other Council policies particularly Recruitment and Organisational Change.
- Approve requests only when it is in the Council's interests to do so. Business Managers will have to provide a proposal report for all requests they support demonstrating how it meets the Council's business objectives, employee relations benefits, service delivery benefits, financial and funding considerations.

A request should typically involve a reduction in gross salary (including contractual enhancements to pay) of 40%, either through reduced hours or level of responsibility (grade).

Once the Council has agreed to a request for flexible retirement it will not consider any requests from the employee to increase their hours or grade in the position for which flexible retirement has been agreed.

The employee's contract of employment will be amended by mutual agreement to reflect the new hours or grade, as agreed, and continuity of service will be preserved for terms and conditions purposes.

They can continue in employment until they achieve the Council's Normal Retirement Age, at which point the Planned Retirement process will be initiated.

The waiving of pension benefit reductions will only be considered in exceptional circumstances.

Flexible retirements will be approved by the Chief Executive. This will be based on a proposal report from the employee's Business Manager including the comments of the Strategic Director and Head of Human Resources

For more detail on retirement, the reader should refer to the Oxford City Councils Retirement Policy.

Review

The Regulations require the Council to keep its policy under regular review. This policy will therefore be reviewed annually. If the Council decides to change its policy, it will publish a statement of the amended policy within one month of the date of its decision.

This document is not a full statement of the law. Oxford City Council retains the right to change policies at any time, this policy confers no contractual rights and the policy that is current at the time a relevant event occurs to an employee will be the one applied to that employee.

Appendix 5 – Pay Protection Policy Statement

Introduction

The purpose of this Policy Statement is to clearly set out Oxford City Council's Pay Protection Policy.

This supersedes all other pay protection arrangements.

Oxford City Council's Terms and Conditions of Employment, which include the current approach to pay protection, are reviewed from time to time in line with legislative changes and Oxford's Equality policy. As a consequence we sometimes need to make changes to them.

Scope

This Policy provides for:-

- **Short-term protection** of earnings of "additions" to basic ie; OT enhancement.
- **Long-term protection** of basic wage or salary where the grade or banding of the new post is lower than the post before the organisational change and/or the hours of the post have reduced. In this case, the individual will not be entitled to incremental progression.

Definitions

Within this Policy the following terms are defined as:-

- **Basic wage or salary**

Basic wage or salary is the weekly or monthly sum due in respect of basic hours worked by the individual concerned within the standard working week.

- **Protectable earnings**

The basic wage or salary and additional payments such as on-call or unsocial hours only if they are a regular requirement of the job, these combined payments are referred to as protectable earnings. Protectable earnings are computed using a 13 week average, which will not include any annual uplift in that calculation.

- **Earnings in the new post**

The sum of the basic wage or salary in the new post and any other payments, if they are a regular requirement of the job.

- **A lower graded or banded post**

Where the new post, irrespective of its title, attracts an hourly rate, or a salary scale with a maximum point, lower than that applying to the post held previously, or a salary lower than that of the previous post.

- **A more senior post**

A post that carries an hourly rate, or a salary scale with a maximum point, higher than that applying to the new post or any subsequent post to which an employee may have moved.

Long-Term Protection

3 years protection from the date of the new contract. Inflation will be applied. There will be no incremental progression. At the end of the protection the employee will receive the maximum SCP of the grade of the post now.

The period of protection will end when the:

- total level of payments in the new role exceed the level of protected pay, or
- employee is appointed to a post in which the normal basic wage or salary is equal to or exceeds the protected basic wage or salary, or
- protected employee changes job voluntarily

Short-Term Protection

The arrangements for short-term protection will be that the employee will receive protected payments for a period of 6 months.

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 the new post are paid in full for that particular pay period.

When calculating earnings in the new post, the rates used for calculating payments in respect of any additional payments beyond basic wage or salary shall be those applicable to the new post.

Part Time Employees

When a part-time employee is moved to a new post on a lower grade or band and the hours in the new post are the same or fewer than before, long-term protection entitlement is assessed on the basis of actual hours worked in the new post paid at the hourly rate applicable to the previous post. If the hours in the new post exceed hours worked previously, long-term protection entitlement is based on (hours worked previously) x (rate applicable previously). The additional hours in the new post are paid at the rate applicable to the new post.

Conditions

Short-term protection of earnings is conditional on the employee undertaking any overtime, shift work or other additional duties which may be required up to the level at which earnings in the new post equal the protected earnings.

Short-term protection of earnings is also conditional on the employee accepting any subsequent offer of another suitable post with the Council, which attracts a basic wage or salary in excess of the basic wage or salary applying to the new post.

Long-term protection of basic wage or salary where downgrading is involved is also conditional on the employee agreeing to accept any offer of a suitable more senior post with the Council. If an employee subsequently unreasonably refuses to apply for or to accept a more senior post, protection ceases.

Oxford City Council

RETIREMENT POLICY**1 INTRODUCTION**

We recognise that people are our most valuable resource. We need to make the best use of the potential available to us from amongst all the people we employ. This policy specifically deals with retirement issues and forms part of the Council's wider policy on age.

We recognise that the employment market is changing, with older members of the population seeking the financial and social advantages that being in work may bring. We understand that some employees may wish to retire early and others may wish choose to extend their working lives beyond the age that was previously thought normal for retirement.

The Council has a flexible and positive approach towards retirement.

2 RETIREMENT AGE

The Council's normal retirement age is 65. This is the default retirement age under Age Discrimination Legislation, the normal retirement age under the Local Government Pension Scheme (LGPS) Regulations and the earliest date for the payment of state pension benefits.

Employees may be able to choose to retire before this age and in some circumstances may be dismissed by the Council and receive pension payments before this age. Employees also have a right to request that they be allowed to continue working beyond the age of 65. These options and rights are explained in the paragraphs that follow.

3 EMPLOYMENT BEYOND AGE 65

Age 65 is the normal retirement age for employees of Oxford City Council. The Council will write to employees at least 6 months before their 65th birthday to inform them that their employment is to end on this date by reason of retirement. The Age Discrimination Regulations, however, provide a right for employees to request to work beyond this date and include a "duty to consider procedure" for employers to follow to allow employees to exercise their right to request to work beyond the age of 65. This procedure, which is detailed in separate documents, will be followed; however the Council views this opportunity positively and encourages the early discussion of retirement plans between employees and managers so that the process can be managed effectively to the benefit of both the employee and the Council.

The LGPS allows employees to continue contributing to the scheme until the age of 75 and provides for an actuarial increase in pension benefits if they are not put into payment until after age 65.

4 RETIREMENT SITUATIONS/OPTIONS FOR LOCAL GOVERNMENT PENSION SCHEME MEMBERS

The Local Government Pension Scheme provides for active scheme members to receive payment of pension benefits upon retirement in the situations summarised below.

(a) VOLUNTARY RETIREMENT FROM AGE 60 AND BEFORE 65

An employee who is aged 60 to 64 may choose to retire by giving the appropriate notice. Those employees who have a sufficient period of membership in the pension scheme may choose to receive immediate payment of pension, in accordance with the Pension Scheme regulations. Alternatively pension scheme members can choose not to receive payment of pension benefits until a later date. Pension benefits must be put into payment by age 75.

The pension payments may be actuarially reduced to account for the fact that it is being paid early. Employees should ensure they obtain information about the amounts of their pension benefits and the amounts of any reductions that apply to them before making a formal request to retire early. This information is available upon request from Pensions Services.

(b) VOLUNTARY RETIREMENT FROM AGE 50 TO 59

The LGPS Regulations provide employers with the discretion to allow employees to retire from the age of 50 and before the age of 59 and receive payment of their pension. All requests under this regulation are subject to the Oxford City Council giving consent to the pension being put into early payment.

The pension payments may be actuarially reduced to account for the fact that it is being paid early. Employees should ensure they obtain information about the amounts of their pension benefits and the amounts of any reductions that apply to them before making a formal request to retire early. Employees should initially make a request to their Business Manager and the Human Resources Business Manager. Human Resources are able to obtain pension benefit estimates for early retirement in these circumstances.

The Council's policy on the exercise of its discretion under this Regulation is confirmed in the Council's Policy Statement on Employer Discretions under the LGPS Regulations 1997 as amended.

(c) RETIREMENT FROM AGE 50 AS A RESULT OF REDUNDANCY OR ON THE GROUNDS OF EFFICIENCY OF THE SERVICE

The Council may find it necessary to dismiss an employee on the grounds of redundancy. Pension benefits will be put into immediate payment if the employee is an active member of the Local Government Pension Scheme and aged 50 or over at the date of dismissal. The pension is paid without any actuarial reduction. Payment of pension benefits is in addition to any discretionary payment made for redundancy under the Council's Policy on the use of its discretions under the Local Government (Early Termination of Employment) (Discretionary Payment) Regulations 2006.

Alternatively there may not be a redundancy situation, but it may be necessary to dismiss an employee on the grounds of the efficiency of the service. Pension benefits will be put into immediate payment if the employee is an active member of the Local Government Pension Scheme and aged 50 or over at the date of dismissal. The pension is paid without any actuarial reduction. Retirement in these circumstances will normally be part of a compromise agreement.

The Council's policy on the exercise of its discretions in cases of dismissals on the grounds of redundancy and efficiency of the service are confirmed in the Council's Policy Statement on the use of Discretions under the Local Government (Early Termination of Employment) (Discretionary Payments) Regulations 2006.

(d) ILL HEALTH RETIREMENT

An employee who has been certified by an independent Occupational Health Advisor as being permanently incapable of discharging their duties or other comparable duties by reason of ill health or infirmity of body or mind may retire at any age, with immediate payment of pension benefits where sufficient pension contributions have been made. Pension benefits payable will be in accordance with the Local Government Pension Scheme Regulations. Payment of pension benefits in these circumstances must be authorised by the Council. This authorisation will only be given after all alternatives have been explored and the retirement is properly certified by an independent Occupational Health Advisor in accordance with the Pension Scheme Regulations.

(e) FLEXIBLE RETIREMENT

The LGPS Regulations provide employers with the discretion to allow employees to take flexible retirement from the age of 50. Flexible retirement involves continuing to work on reduced hours and/or grade and receiving immediate payment of pension

benefits. The pension benefits payable may be actuarially reduced to take account of the fact it is being paid early.

The Council will consider requests from employees aged 50 or over, to reduce their hours or the grade in which they are employed and have their pension benefits paid whilst continuing to be employed. A statement providing details criteria that applicants must meet and how the Council will consider the use of this discretion is attached to the Council's Policy Statement on the Use of Discretions under the Local Government Pension Scheme Regulations 1997 as Amended.

5 EMPLOYEES WHO ARE NOT IN THE LOCAL GOVERNMENT PENSION SCHEME

An employee who has chosen not to contribute to the Local Government Pension Scheme (is not an active scheme member) will not receive pension benefits from the scheme upon retirement. If an employee has deferred pension scheme benefits from previous local government pension scheme membership they should contact the administrators of that pension scheme for details of the benefits they have and when they might become payable. Employees may, however, choose to retire by giving the appropriate notice.

Employees who are not in the pension scheme may also apply for flexible retirement. The Council will apply the same criteria as set out in the policy statement on flexible retirement, except that there will not be any pension benefits to put into payment.

6 EARLY PAYMENT OF PENSION BENEFITS TO EX-EMPLOYEES WITH DEFERRED PENSION BENEFITS

If an ex-employee suffers deterioration in their health such that they consider they meet the Local Government Pension Scheme's criteria for ill health retirement they can make a request for early payment of pension benefits on health grounds. The Council will consider such requests in accordance with the Pension Scheme regulations and if it is satisfied that the criteria are met early payment of pension benefits will be authorised.

Ex-employees may make a request for early payment of pension benefits on other grounds. Such requests are only likely to be considered in exceptional circumstances, as it must be demonstrated that it is in the Council's interests to agree the request.

7 FINANCIAL CONSIDERATIONS

Employees are advised to seek guidance about the financial implications of drawing Local Government Pension Scheme or other pension benefits they may have to retire or whilst continuing to work.

8 RE-EMPLOYMENT

Employees who retire from the Council may seek re-employment with the Council through the Council's normal recruitment procedures. If an employee is in receipt of a pension from the Council then re-employment with Oxford City Council or any Local Government Pension Scheme employer may affect the pension payment. All re-employed pensioners are required to tell the Authority who pays their pension of any new employment and their pension may be reduced in accordance with Pension Scheme and Compensation Regulations.

If an employee is made redundant they will forfeit their right to a redundancy payment if they are offered and take up other employment with a body covered by the Redundancy Payments (Continuity of Employment in Local Government etc) (Modification) Order within 4 weeks of leaving the Council.

9 DISPUTES PROCEDURE

If a member of the Local Government Pension Scheme has a dispute regarding a decision made in respect of their pension benefits, they may wish to refer to the Pension Scheme Internal Disputes Resolution Procedure, if appropriate. Copies of the procedure are available from Human Resources or Pensions Services. If an employee wishes to raise a concern not relating to pension benefits referral to the Staff Complaints Procedure may be appropriate.

10 REVIEW OF POLICY

This statement confirms the Council's current policies on retirement and contains some details of the Council's policies on the exercise of its discretionary powers in respect of Local Government Pension Scheme Regulations 1997 as Amended and the Local Government (Early Termination of Employment) (Discretionary Payments) Regulations 2006. Both of these Policies are available in full in separate documents.

This policy will normally be reviewed annually alongside the reviews of the Discretionary Pensions and Payments Policy Statements. The timetable for review may be altered if necessary to coincide with any changes to legislation that affect any of these policies.

Oxford City Council
Organisational Change Policy
Summary of the major changes

Item	Current	Proposed	Reason	Areas for Potential Negotiation	Trade Union 1.8.07	Management 3.8.07	Trade union 7.8.07	Council & Union 8.8.07
Consultation with Trade Union partners	Employee Stability Policy does not mention this and is therefore, not compliant with the Information and Consultation Directive.	Consultation formalised and required.	Compliance with the Information and Consultation of Employees Regulations 2004.	No				
Age, Gender and Disability Equality Duties	Employee Stability Policy not compliant with the duties.	A compliant policy and procedure with monitoring of both.	To meet duties.	No				
Flexible Retirement	No clarity on relationship to organisational change and what exists is not compliant	The policy clearly links flexible retirement to organisational change and is compliant to Age Regulations.	Clarity, consistency and compliance.	No				

Item	Current	Proposed	Reason	Areas for Potential Negotiation	Trade Union 1.8.07	Management 3.8.07	Trade union 7.8.07	Council & Union 8.8.07
Time on redeployment register	9 months including notice period	Notice period only	<p>Employees faced with a protracted period on the redeployment register uncertainty will face stress and anxiety:-</p> <ul style="list-style-type: none"> • This is failing in our duty of care to our employees • Places an unreasonable financial burden on the council tax payer • Places the Council at risk of personal injury claims for stress. • Is not in line with best practise. 	Yes	9 months	3 months + 1 year service compromise	60 days notice + Contractual notice	60 days notice + Contractual notice Plus support: Job search CV writing Interview skills

Item	Current	Proposed	Reason	Areas for Potential Negotiation	Trade Union 1.8.07	Management 3.8.07	Trade union 7.8.07	Council & Union 8.8.07
Period of pay protection if redeployed to a lower graded job	Permanent, unless a job at a higher grade is declined. However, not documented and no Policy statement	Short term protection for up to 6 months Long term protection for up to 3 years	Protecting an employees pay indefinitely for a job at a lower grade undermines the basis of a salary structure based on job evaluation. The effects of this are to create inequity and breaches of the Equal Pay Act. A clear and documented process that is compliant with the current law.	Yes The phasing but not the length of pay protection.	3 years full	3 years SCP	3 years SCP (including inflation) Short term protection: 6 months for all	3 years SCP (including inflation) Short term protection: 6 months for all "System" to work to prevent overpayment
Appeals Process	Employee Stability Policy does not allow an employee to ask for a review of the way or the result of their allocation to a pool or job.	New Procedure has such a review process.	Better protection and consistency of application.	No				

Item	Current	Proposed	Reason	Areas for Potential Negotiation	Trade Union 1.8.07	Management 3.8.07	Trade union 7.8.07	Council & Union 8.8.07
Redundancy payment calculations	Based on actual pay not capped at statutory maximum, but no policy statement to that effect.	Based on actual pay not capped at statutory maximum (Appendix 1 refers).	A compliant policy statement is required to comply with the Age and LG (Discretionary Payments) Regulations.	Yes The amount of the multiple.	X 4	X 1.6	Phased sliding scale: 2.5 for year 1 2.25 for year 2 2 for year 3	Phased sliding scale: 2.2 for year 1 2.1 for year 2 2 for year 3
	Discretion allowed but policy statement in Employee Handbook ¹ (Section 9.1, para 8, page 5 of 7, point 2) breaches the Age Regulations ² with no apparent justification ³ .	Discretion allowed on a multiple of the statutory redundancy calculator (Appendix 2 refers)						
	NB: Policy to take effect from 1 st November 2007							

¹ Policy decisions were made by Committees in March 1998; Employee Handbook dated January 200; Section 9.1, para 8, page 5 of 7, point 2

² Para 3 Employment Equality (Age) Regulations 2006

³ Para 32 Ibid

Item	Current	Proposed	Reason	Areas for Potential Negotiation	Trade Union 1.8.07	Management 3.8.07	Trade union 7.8.07	Council & Union 8.8.07
Use of Regulation 52 to award additional years of pension service to staff in the LGPS	Employee Handbook ⁴ states that the Council will not award enhanced service for new employees nor for leavers over fifty.	Committee decided not to augment service for employees in 2004.	No change.	No.				
"Efficiency of the Service" used as an alternative to redundancy	Employees have left the Council after agreeing a compromise agreement. However, these decisions were made in a Policy vacuum, with no reference to Regulation 52.	Can be used. Award of payments to be discretionary.	Compromise agreements are not transparent, have taken place with little or no protection for the employee or the Council and the lack of a procedure for using such would be criticised by the Audit Commission.	No				
Allocation of jobs in a restructure	Employee Stability Policy lacked any description of the processes to be used in allocation jobs in a new structure.	Allocation of jobs within a structured process, with full union consultation on process to be used before it is used, with both a review and appeals process open to employees.	Protection of employees within a documented and objective process	No				

⁴ Employee Handbook, ibid



8th August 2007

Dear Trade Union Member,

Organisational Change Consultation: Management's Final Offer

As you will be aware, your trade union officers were mandated by you to negotiate improvements to the unacceptable proposals put forward by management regarding organisational change.

Following a series of intensive negotiations, we are now in a position to report on the progress we have made over the last few weeks.

This afternoon, we received management's final offer, which had been approved by the Council Leader, Cllr John Goddard.

We are pleased to be able to report significant improvements on the initial proposals. Specifically:

1. Redeployment period

Currently, from the time their post is deleted, all staff have nine months in which to find alternative employment within the council before being made redundant.

The council's initial proposal was to remove this redeployment period entirely so that staff would have their notice period only. This offer was subsequently increased to a fixed period of three months for all staff: only a week more than the notice period for the longest serving staff.

The council have now offered a fixed period of 60 days on top of notice period. This would give staff a minimum of 60 days + four weeks, up to 60 days + 12 weeks for staff with 12 or more years service.

Management have also agreed that the redeployment process needs to be tightened up to give people a better chance of finding alternative employment.

2. Pay protection

Currently we have, in theory, indefinite pay protection if someone is redeployed to a job at a lower grade. This is probably legally challengeable under Equal Pay law and both unions accept this cannot continue.

The initial proposal from management was to have a maximum of one year's protection at 100% pay for staff with more than five years service.

The council have now offered three years of 100% protection for all staff on their pay point at the time their job was deleted. They would continue to receive annual pay rises, but not increments. Once the period of protection ended they would move to the top of their new grade.

Staff who would lose additional payments or allowances, for instance call-out or weekend enhancements, would see these **protected for six months**, regardless of length of service.

3. Redundancy multiplier

The current policy provides a maximum of 64 weeks' redundancy pay, for a 49 year old with 20 years' service.

The council originally proposed a multiplier of **one** in its new scheme. This is the bare minimum, albeit based on actual wages rather than the statutory maximum of £310 per week. This would have given 24 weeks' pay to a 49 year old with 20 years service.

The new offer is a progression over three years from a multiplier of 2.2x in the first year (Nov 2007 – Nov 2008), to 2.1x (til Nov 2009) and finally 2.0x after that. This gives the 49 year olds with 20 years service a redundancy payment of 52.8 weeks, 50.4 weeks and 48 weeks' pay respectively, calculated on their actual earnings. Those over 50 gain on all multipliers, compared to the current policy.

The redundancy multiplier is complicated, and depends on individual circumstances. A more detailed explanation will be available in the next few days.

If implemented, the unions and management would review the policy every year.

The council management negotiating team have taken on board many of our members' concerns and accepted the strength of feeling against their original proposals. They have moved considerably from their original position and we are pleased with the progress we've made. We feel this bodes well for future negotiations on Single Status (Job Evaluation).

Your joint trade union negotiators believe that this offer is the best package that can be achieved through negotiation alone, and any improvements would require substantial industrial action.

To enable your trade unions to enter into a collective agreement with Oxford City Council, we now need to know whether you are prepared to accept the new proposals.

Please complete the form at the bottom of the page and return it to your steward or a branch officer, or send it through the internal post to UNISON Office, St Aldate's Chambers. UNITE members can send their slips to the UNISON office too, and they will be passed to George Chesterfield, your Branch Secretary.

Consultative ballot on organisational change proposals

I accept the proposed changes.

I do not accept the proposed changes and am willing to take part in industrial action to oppose them.

Name (block capitals): _____ Union: _____



Please return to your steward, a branch officer, or through internal post to:
UNISON Office, St Aldate's Chambers, Oxford, OX1 1DS
Please ensure your form is returned by **Wednesday 29th August 2007.**

3.38

New Redundancy Payment Ready Reckoner

Appendix 3

Age	Service (Years)																			
	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
18*[1]	1																			
19	1	1½																		
20	1	1½	2																	
21	1	1½	2	2½																
22	1	1½	2	2½	3															
23	1½	2	2½	3	3½	4														
24	2	2½	3	3½	4	4½	5													
25	2	3	3½	4	4½	5	5½	6												
26	2	3	4	4½	5	5½	6	6½	7											
27	2	3	4	5	5½	6	6½	7	7½	8										
28	2	3	4	5	6	6½	7	7½	8	8½	9									
29	2	3	4	5	6	7	7½	8	8½	9	9½	10								
30	2	3	4	5	6	7	8	8½	9	9½	10	10½	11							
31	2	3	4	5	6	7	8	9	9½	10	10½	11	11½	12						
32	2	3	4	5	6	7	8	9	10	10½	11	11½	12	12½	13					
33	2	3	4	5	6	7	8	9	10	11	11½	12	12½	13	13½	14				
34	2	3	4	5	6	7	8	9	10	11	12	12½	13	13½	14	14½	15			
35	2	3	4	5	6	7	8	9	10	11	12	13	13½	14	14½	15	15½	16		
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14½	15	15½	16	16½	17	
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15½	16	16½	17	17½	
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16½	17	17½	18	
39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17½	18	18½	
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18½	19	
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19½	
42	2½	3½	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
44	3	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	
45	3	4½	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	
46	3	4½	6	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	
47	3	4½	6	7½	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	
48	3	4½	6	7½	9	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	
49	3	4½	6	7½	9	10½	12	13	14	15	16	17	18	19	20	21	22	23	24	
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½	
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25	
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½	
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26	
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½	
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27	
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½	
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28	
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½	
59	3	4½	6	7½	9	10½	12	13½	15	18½	18	19½	21	22½	24	25½	27	28	29	
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½	
61*[2]	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30	

18* [1] - It is possible that an individual could start to build up continuous service before age 16, but this is likely to be rare, and therefore we have started Table 2 from age 18.

61* [2] - The same figures should be used when calculating the redundancy payment for a person aged 61 and above.

