



General Purposes Committee
7 June 2011

**Report from the Director of
Finance and Corporate Services**

Managing Organisational Change – Re-engagement

1.0 Summary

- 1.1 The GP Committee approved the Managing Change Policy on 23rd February 2010. It contained a recommendation that allowed the Assistant Director of Human Resources, after consultation with the Borough Solicitor and then consultation with the relevant trade unions, to amend the Managing Change Policy and Procedure from time to time. There have been some amendments made February 2010 to some parts of the policy.
- 1.2 The purpose of this report is to address the concern that employees are made redundant and then re-engaged (either directly on a permanent or temporary basis or as consultants/agency staff) because it was found that work still needed to be done.
- 1.3 An example of this would be where a unique post had been made redundant yet it was subsequently found that the need for the post had not disappeared and that the previous jobholder had been appointed to it on a directly employed basis or as a consultant or agency worker.

2.0 Recommendations

- 2.1 That Section 8 – Reengagement of Staff – contained in the attached policy is approved.
- 2.2 That the Assistant Director, Human Resources, is authorised to determine the effective date at which the new Managing Change Policy and Procedure is implemented across the Council.
- 2.3 That the Assistant Director, Human Resources, continues to be authorised, after agreement with the Director of Legal and Procurement and then consultation with the relevant trade unions, to amend the Managing Change Policy and Procedure from time to time.

3.0 Detail

3.1 Due to the changing circumstances of the economic climate and the substantial change programmes that have required the Council to make larger numbers of staff redundant than it has done previously, concerns have been expressed that staff are leaving on the grounds of redundancy and are subsequently, within a short period of time, being either directly or indirectly employed, or used as a consultant. This could be perceived by the public and by the external auditors that a true redundancy situation did not apply and that public monies are being wasted.

3.2 There is no implication that so far there has been anything untoward in any actions taken by staff or management, but to avoid any uncertainties and to provide clarity on this issue the Managing Change Policy has been amended.

3.3 This new section lays out the circumstances under which the Council will allow staff who have left on the grounds of redundancy to be reemployed and an extract of the policy is shown below:-

Circumstance	Applicable / Non-applicable
<p>An employee made redundant may not be re-employed on any basis as a consultant/agency worker/ temporary worker or directly on a temporary or permanent basis.</p>	<p><u>Applicable</u></p> <ul style="list-style-type: none"> • up to three months from the last day of service and • where there was entitlement to a redundancy payment <p><u>Not applicable</u></p> <ul style="list-style-type: none"> • where there was no entitlement to a redundancy payment there is no waiting period
<p>Any employee made redundant may be re-engaged on any basis i.e. as a consultant/agency worker, or directly on a temporary or permanent basis provided:-</p> <p>it is to a different unique job from the one from which they were made redundant</p> <p>If it is to the same work it is where there is a group of generic posts and where one of these has become vacant after the redundancy situation through normal labour turnover and provided the appointment is made on merit through the appropriate procedure and/or in line with standing orders.</p>	<p><u>Applicable</u></p> <ul style="list-style-type: none"> • three months after the last day of service and • where the reason for termination of employment was redundancy and where there was an entitlement to a • redundancy payment <p><u>Not applicable</u></p> <ul style="list-style-type: none"> • where there was no entitlement to a redundancy payment there is no waiting period
<p>Re-engagement or appointment on any basis to carry out the work or part of the work of a unique post that had been abolished and from which the member of staff had been made redundant</p>	<p><u>Applicable</u></p> <ul style="list-style-type: none"> • No re-engagement on any basis (i.e. as a consultant/agency worker, or directly on a temporary or permanent basis) for up to one year from the last day of service. • After one year re-engagement in any form only after a business case has been made and approval obtained from the Director of Finance and Corporate Services <p><u>Not applicable</u></p> <ul style="list-style-type: none"> • where there was no entitlement to a redundancy payment there is no waiting period

3.4 The recognised trade unions (Unison and GMB) have been consulted and their comments will be shared verbally at the meeting as to date none have been received. The policy was also shared with the NUT, however they felt that as the members in centrally employed teachers roles (who would be relevant employees as far as this policy is concerned) was so small they would not be commenting.

4.0 Financial Implications

4.1 There are no direct financial implications from this change.

5.0 Legal Implications

5.1 The Legal department have been consulted on this policy and no comments have been received.

6.0 Diversity Implications

6.1 There should be no diversity implications from this change.

7.0 Staffing/Accommodation Implications (if appropriate)

7.1 These are contained in the body of the report.

Background Papers

Review of Employee Benefits PID/business case

Contact Officers

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