

11. **REVISIONS TO THE PDNPA MANAGING CHANGE POLICY AND STATEMENT OF PARTICULARS (SF/TR)**

1. **Purpose of the report**

To advise Members of the options proposed by management, following negotiation with our recognised trade union, UNISON, and Staff Committee, to amend the pay protection element of the Managing Change Policy and to seek approval for the options proposed.

To inform Members of the outcome from a consultation with staff on proposals to amend the redeployment element of the Managing Change Policy and to approve the recommendation proposed.

To inform Members of the outcome from a consultation with staff on proposals to amend the Statement of Particulars and to approve the recommendation proposed.

**Key issues**

While the Managing Change Policy for the Authority was recently refreshed by the Head of Human Resources to offer clarity on current practices, it was considered that two elements of the policy required review to reflect the external environment we are operating in; to deliver a policy that is sustainable, fair, transparent, and easy to administer; and, to reflect the lessons from previous re-structures. At the same time the Statement of Particulars needs up-dating and modernising.

A paper was considered at the Audit and Resources Performance Committee on 22 July 2016 to advise Members of the intention to begin a negotiation with our recognised trade union, UNISON, and staff representatives on Staff Committee on the pay protection element of the Managing Change Policy and to consult on proposed changes to the redeployment element of the Managing Change Policy and on the Statement of Particulars.

The report considers the options open to the Authority to progress changes to the Pay Protection scheme and recommends Option 1 as reached, we hope, by agreement through negotiation. If agreement cannot be reached by 1 November 2016 on Option 1, the we recommend the Authority defaults to Option 2.

The report informs Members of the outcome of the consultation with staff on proposed changes to redeployment and seeks support for the changes proposed and the timing of their introduction.

The report informs Members of the outcome of the consultation with staff on proposed changes to the Statement of Particulars and on the changes that will be made and when they will take effect.

**Recommendations**

2. 1. **That Members approve the Peak District National Park Authority opting to reach agreement with UNISON and Staff Committee on Pay Protection Scheme and, if agreement cannot be reached by 1 November 2016, the PDNPA will adopt a new Pay Protection arrangement for all new contracts that are issued from 1 November 2016.**

2. That Members note the outcomes from the consultation on changes to the redeployment period and approve the proposal for the implementation timetable for these changes.
3. That Members approve the proposal on changes to the Statement of Particulars

#### How does this contribute to our policies and legal obligations?

3. An effective, fair suite of policies and procedures which help the organisation stay relevant for the times we are in and support organisational change are essential to the smooth running of the PDNPA, especially during periods of change. This is part of our work to ensure we build a solid foundation for the organisation into the future.

#### Background

4. The Corporate Strategy 2016-19 sets out what we will do over the next three years and the way we want to operate. It is about caring for the special qualities National Park and staying relevant for the changing world we operate in so we have a sustainable future to carry on our work.

The Peak District National Park Authority, like all National Park Authorities and the wider public sector, has and will continue to experience change as the Authority responds to funding challenges, changes to customer and stakeholder expectations, and to our new 2016-2019 corporate strategy.

At the end of July the Senior Leadership Team started formal consultation with staff on two areas of change.

- Proposed revisions to the Peak District National Park's Managing Change Policy.
- Proposed changes to the organisation structure.

At the same time the Senior Leadership Team began a negotiation with our recognised trade union, UNISON, and with staff representatives on Staff Committee on proposed changes to the contractual policy on pay protection within the Managing Change Policy.

These changes are about having the right structure for the organisation and voices to lead our work and having the right HR change processes to support us for now and the future. The changes build on the good work we already do and to allow us to stay relevant and confidently meet the future so we can carry on doing what we do best – which is to care for the National Park and promote its enjoyment. The proposals offer simplicity and enable us to respond together to support achievement of our ambitions in our corporate strategy. Both consultations closed on 16 September 2016 and we have given several routes for staff to offer their views on these consultations.

5. This paper deals with the proposed revisions to the Peak District National Park's Managing Change Policy and changes to the Statement of Particulars.
6. Although much of the PDNPA Managing Change Policy is relevant and is consistent with ACAS guidance and good practice elsewhere, the recent refresh of the policy highlighted two individual elements, within the overall policy, which are no longer fit for purpose. These are:
  - **Salary protection** - currently three years and with a lack of guidance on what is 'reasonable' to protect

- **Redeployment period** – currently 12 weeks in addition to any notice period (1, 2 or 3 months notice dependant on grade and/or length of service)

The reasons for considering changing these particular policies at this time are:

- To reflect lessons learned from previous and recent re-organisation and experiences of operational difficulties and the impact on morale arising from the application of these elements of the policy. If we do not change, we risk experiencing similar problems as we implement the new management structures.
- Both the salary protection and redeployment process are no longer consistent with good practice elsewhere.
- There is scope for legal challenge, in particular with respect to equality legislation.
- Not tackling the problems associated with these policies is likely to slow down the positive impact the changes we propose to the structure will have, putting the achievement of objectives in the Corporate Strategy at risk.
- Making amendments to the policies after we have restructured the management tiers but before the restructuring the rest of the organisation would be seen to be very unfair and impact significantly on staff morale and putting back revisions to next year, is too high a risk.
- Potential savings through reduced the cost associated with these elements could provide budget to sustain future establishment numbers

Separately, the current Statement of Particulars (otherwise known as the contract of employment) issued to all staff also requires considerable updating in order to reflect changes to legislation. This will provide the opportunity to both tidy up and simplify some of the text.

The changes proposed are intended to provide up-dated policies that will serve us well for any future change in the organisation.

7. The changes we proposed during this period of consultation and negotiation are summarised below.

The proposed changes during the consultation period were:

- To the **redeployment period**: to rationalise the current arrangements by standardising notice period to 12 weeks when the termination of employment is due to redundancy; 12 week redeployment will run concurrently with period of notice; All employees with 24 months or more employment will have the same redeployment period. We are proposing the changes because it does not feel fair that short service and/or more junior staff will have less time to access redeployment opportunities, it is complicated to administer and difficult for staff to understand what they are entitled to, it is operationally challenging to continue to employ staff, particularly in senior roles, without a substantive position for up to six months, it makes PDNPA less agile and impacts on our sustainability as an organisation, it is no longer consistent with practice elsewhere.
- To the **statement of particulars**: to simplify them and modernise the language used.

The proposed changes we are seeking to negotiate on are to find and agree a means to:

- reduce the period of **pay protection**, and to give clarity to the grade difference to which the protection applies, and introduce the utilising of skills of staff on pay protection appropriate to their remuneration. The intention is to move to a scheme

that is consistent with good practice in other similar organisations, to be simpler to understand and feel fair across the range of staff, to reduce any vulnerability there may be to legal challenge in the future and to help staff on pay protection retain their skills of working at a higher level.

8. This period of change can create uncertainty for staff. Recommending the review of the HR policies now, rather than later, creates some risks and challenges at the beginning of a large scale structural re-organisation, as staff will be concerned about the reduction in benefits and protection for staff. This concern over timing was the headline response from staff to the consultation and to the negotiation.

The Leadership Team have listened to the feedback about the timing of its introduction. When we began the consultation we were aware that with change becoming a norm, there is never likely to be a perfect time for making some changes.

Our courage is about making the right decisions for the future of the organisation and our compassion is to reflect on the comments received. Our overarching recommendation, therefore, seeks to balance making the right decisions for the future while having the compassion to reflect on the comments received about when to introduce these changes, as people matter.

## **Proposals**

9. **Options for changes to Pay Protection Scheme**

From negotiations with PDNPA's recognised trade union, UNISON and the Staff Committee, there are two options open to the Authority to advance Pay Protection Scheme towards comparable arrangements

### Option 1 With agreement of UNISON and Staff Committee

Introduce new Pay Protection arrangements at the end of current period of organisation restructure/redesign on 1 April 2018, when the majority of current restructure/redesign is anticipated to have been completed. The new Pay Protection parameters would be 2 grades (or 8 increments) for 2 years at 100%

*Conclusion:* This option is cognisant of staff comments on introducing a reduction in pay protection part way through an organisational restructure. It also outlines PDNPA commitment to commence alignment of PDNPA on pay protection with comparable organisations and responding to LGA advice on perceived risk on equality pay issue.

### Option 2 Without agreement of UNISON and Staff Committee

If agreement with UNISON and Staff Committee cannot be reached by 1 November 2016 on Option 1, then management will adopt a new Pay Protection arrangement for all new contracts which is not necessarily be the arrangement outlined in option 1.

*Conclusion:* This option may be designed to be more realistic of the trend in pay protection amongst local authorities, but it will create two tier status amongst staff on pay protection until all staff have been issued with a new contract.

Regardless which of the above options is progressed, it was agreed the PDNPA will introduce utilising the skills of staff with immediate effect.

10. **Proposal for change to Redeployment Period**

The proposal consulted on was to rationalise and simplify the current arrangements for redeployment by standardising the notice periods for all staff when the termination of

employment is due to redundancy. That would mean that all staff received 12 weeks' notice during which time they could be considered for redeployment. The redeployment and notice period would run concurrently. At the end of the 12-week period, the contract would terminate on grounds of redundancy.

The main recommendation is for the Authority to acknowledge the concerns raised by staff during the consultation about timing and, therefore, to propose a transitional period to help staff move towards this change in redeployment during this current period of structural change. The timeframe will be:

- From 7 October 2016 – four months redeployment (adopting the lowest existing period) to run concurrent with the varied notice periods (1, 2, and 3 months) which will remain in place.
- From 1 April 2018 – three months redeployment to run concurrent with three months notice.

*Conclusion:* This recommendation is cognisant of staff comments on introducing a change to redeployment part way through an organisational restructure. It enables PDNPA to progress lessons learned, and also outlines PDNPA commitment to commence alignment of PDNPA on redeployment with comparable organisations.

11. **Proposal to modernise and simplify existing Statement of Terms and Conditions.**

From October the new Statement of Terms and Conditions presented in appendix 1 will be issued to all new staff and those subject to any change such as change in job description, promotion, internal transfer, change of hours, etc.

*Conclusion:* All PDNPA staff will have the new Statement of Terms and Conditions by 31 March 2018.

**Consultations**

Negotiation on the Pay Protection Scheme commenced on 25 July with UNISON and Staff Committee and will continue until 1 November to reach an agreement. Should an agreement not be reached, the proposal is for the Authority to implement a revised Pay Protection Scheme with every new contract issued.

Consultation on the Redeployment Period and the Statement of Particulars commenced with staff on 25 July and closed on 16 September. The summary responses received from UNISON and Staff Committee and the Leadership Team feedback on this consultation feedback is at appendix 2

**Are there any corporate implications members should be concerned about?**

12. **Financial:**

On pay protection Option 2 is likely to be the best financial option for this Authority.

On redeployment period the proposal is an improved financial outcome for this Authority. Change to the redeployment period will result in savings for this Authority

13. **Risk Management**

There is a risk that staff will feel aggrieved by proposals for amendments to the policy because of the impact on individuals going through or about to go through change. To mitigate communication and consultation has been thorough and beyond best practice. Pay Protection – Option 1 is considered to represent the lowest risk to the Authority in terms of staff morale

14. **Equality**

The Authority has responded to risk highlighted on equal pay issues. Pay Protection – Option 2 is considered to represent the lowest risk to the Authority in terms of equal pay.

**Background papers**

**Appendices**

1. Statement of Particulars
2. Redeployment summary consultation feedback

**Report Author, Job Title and Publication Date**

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