

Schools Organisational Change Procedure
Children Schools and Families Directorate

1. General Scope of the Procedure

- 1.1 This procedure should be applied whenever there is a proposal to make reductions in permanent teaching/support staff and fixed term staff with more than one years service who are employed in schools under the control of Governing Bodies (even though the right to receive a redundancy payment is not acquired until after 2 years continuous service).
- 1.2 This is an agreed procedure, which also applies in the case of voluntary redundancies for the above staff.
- 1.3 Schools should note that this procedure cannot be implemented until approval for any potential redundancies has been given by the Local Authority (LA) School Restructuring Panel. Please refer to School Reorganisations - Governance Arrangements, attached to this procedure.

2. Aims of the Procedure

- 2.1 School requirements for staff are liable to vary from time to time. It is therefore essential that the best use is made of the resources available to schools in order to meet the needs of the pupils.
- 2.2 This procedure is intended:
 - To take account of the school's statutory duty to provide for the educational needs of all pupils in line with the National Curriculum;
 - To minimise the impact of situations involving re-organisations and or staff reductions;
 - To ensure that organisational change takes place as effectively as possible and avoids unnecessary disruption;
 - To ensure staff reductions are reached fairly and in accordance with employment law and statutory entitlements; and
 - To ensure that consultation with staff and the trade unions is commenced at the earliest possible opportunity.

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3. Equal Opportunities Considerations

- 3.1 There are equalities implications involved when any employment procedure is applied. Application of the Organisational Change Procedure has particular implications for the multi-cultured workforce employed by the London Borough of Tower Hamlets.
- 3.2 Headteachers should ensure that they assess the situation across the group of employees likely to be affected before they embark upon any action relating to staff reductions.
- 3.3 In order to establish whether any single person or group of employees is being treated less favourably than others under this procedure it is important that all action taken is monitored. If details are not already available, employees may be asked to provide information (e.g. about their ethnic origin) to enable the Local Authority to review the impact of this procedure.

4. The Procedure (prior to consultation)

- 4.1 The Headteacher completes the school development plan and budgetary information with proposals to reduce staffing costs and submits this to the school's governing body.
- 4.2 If the proposals are approved in principle, the governing body will agree a:
- Organisational Change Panel (usually consisting of the headteacher and one governor)
 - Appeals Panel (consisting of 3 governors – excluding the governor that was on the Organisational Change Panel)
- 4.3 At this point, the lead member of the Schools' Organisational Change Panel is required to submit the outline business case [template OBC/FBC], with indicative financial implications in terms of savings and cost of severance, to the School Restructuring Panel (SRP) for initial discussion, challenge and consideration by the Panel, supported by their School Improvement Officer and HR Provider. A decision in principle by the Panel must be received before consultation with staff and trade unions can commence. Wherever possible, the Headteacher should informally tell the trade unions of the proposed restructure, before any written documentation is sent. This will avoid surprise and potentially could avoid industrial relations issues. The earlier that you can consult with trade unions the better as this could avoid the need for serious consideration of redundancies.
- 4.4 The LA will consider business cases for reorganisations when the school has to reduce or reorganise its staffing establishment:
- for budgetary reasons; or

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- to respond to organisational or curricular changes.
- 4.5 It is the current practice of the LA to seek the agreement of the school to cover the full costs of the “enhanced” severance element of the redundancy payment.
- 4.6 If the costs are less than the salary savings generated by the reorganisation, the expectation would be that the school meets those costs in year (bearing in mind that this is a on-off cost and the school would be in a position to obtain full advantage of the savings in the following year).
- 4.7 If the above is not the case, the LA will introduce a facility to allow schools to obtain a free loan from the LA to pay for the one-off costs over a maximum of a three year period (in line with the deficit recovery plan arrangements). This would usually be the case when the reorganisation is taking place for budgetary reasons.
- 4.8 Costs arising from the “statutory” element will be funded from a centrally managed budget as long as the school has obtained the approval of the SRP, and has acted reasonably and has followed the School’s redundancy policy.
- 4.9 Termination costs in respect of closing or merging school will continue to be met centrally. In addition, the LA will maintain a discretion in respect of meeting the costs of any termination required as a consequence of LA intervention for schools causing concern.
- 4.10 Reorganisations are not a substitute for performance management and when the Panel considers that the reorganisation has been proposed for that reason, the LA will seek to recover the full costs it has incurred in relation to any statutory redundancy and/or severance payments.
- 4.11 In conjunction with the new governance arrangements, the LA will implement closer monitoring of redundancies against advertised vacancies. Where a school makes redundancies and the LA judges that subsequently the post has been filled within 24 months, the LA will seek to recover the full cost of the redundancy from the schools’ delegated budget.

5. The Procedure (the consultation)

- 5.1 The Organisational Change Panel will be responsible for consulting with staff and trade unions on methods for making reductions, and for selecting posts for redundancy following full consultation. In the event of a disagreement between members of the Organisational Change Panel the Headteacher will have the casting vote.
- 5.2 Provided that a decision in principle has been given by the SRP (as per paragraph 4.3), the School’s Organisational Change Panel will consult with staff and trade

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unions on methods for avoiding compulsory redundancies (template letter 1), e.g. voluntary redundancy/early retirement, bumped redundancies, natural wastage, alternative internal redeployment, reductions in hours, agency staff. Where staff are redeployed into a post and the salary is lower they shall be entitled to salary protection in accordance with the school teachers pay and conditions document and for support staff any salary protection will be for 2 years.

- 5.3 This consultation will initially be in the form of a written document to the trade unions and relevant staff and will include the following information:
- The reason for the proposal
 - The number and description of employees at risk
 - The total numbers at the establishment (current and proposed structure)
 - Steps that will be taken as a means of trying to avoid compulsory redundancies, such as voluntary redundancies
 - The proposed method for selecting for compulsory redundancies, in the event that this is necessary
 - Confirmation of the procedure that will be used to make the proposed redundancies
 - The proposed method of calculating any redundancy payments.
- 5.4 This written document should be sent to the trade unions and relevant staff as soon as is reasonably practical and where possible at least 3 months before the first dismissal is envisaged to take place. Voluntary redundancies may still take place prior to this providing all parties agree.
- 5.5 Invitations may be sought at this point for volunteers for redundancy. The Organisational Change Panel will take into account curriculum requirements when deciding whether to accept an application for voluntary redundancy.
- 5.6 Where sufficient staffing reductions cannot be met through the above methods, the Organisational Change Panel will be responsible for identifying the numbers and types of posts for compulsory redundancy.
- 5.7 The Panel will continue to consult with staff and trade unions regarding the proposals and on the proposed selection criteria for making compulsory redundancies.
- 5.8 The Organisational Change Panel will then apply the agreed selection criteria and identify specific posts for redundancy. At this point, they will write to those staff whose posts have been identified and offer to meet with them in order that they may make individual representations (template letter 2).

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- 5.9 Following this meeting the Panel, if applicable will write to the relevant individuals confirming their decision to make a determination to dismiss on the grounds of redundancy (or in cases of non-teaching staff, to dismiss on the grounds of redundancy) and advise them of their right to appeal (template letter 3).
- 5.10 At this point, the Schools' Organisational Panel must submit the Final Business Case (template OBC/FBC) to the SRP for final approval for the funding of the redundancy costs.
- 5.11 At this point suitable alternative employment will be sought for those individuals selected for redundancy. Where this search for alternative employment is unsuccessful, the determination to dismiss will proceed. The search for redeployment will be co-ordinated by the LA Schools HR Team.

6. Appeals

- 6.1 Upon receipt of appeals, the Appeals Panel will meet with the appellant and their representative to consider the grounds for appeal.
- 6.2 A representative from the LA Schools HR Team will attend this meeting to advise on procedural matters and matters of precedent.
- 6.3 The Appeals Panel will write to the individual concerned informing them of their decision, which will be final.
- NB. Where no appeal is made, or where the individual's appeal is unsuccessful, Community Schools must inform the Corporate Director (Children, Schools and Families) in writing of the determination to dismiss on grounds of redundancy, in order that a dismissal may be made.

7. Suggested Report Format to the SRP

7.1 Executive Summary

This should include the reasons for the proposal, i.e. is the proposal due to financial constraints or restructuring. Also include action taken to mitigate redundancies

7.2 Restructuring Proposals

This section should give details of number and the posts that will be at risk. The current and proposed structures should also be included as appendices.

7.3 Financial Implications

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The financial situation should be outlined in this section, including the savings made, if any, as a consequence of the proposed reorganisation, indicative costs of redundancy and budgetary information included as appendices.

7.4 Outline Timetable

Relevant dates should be shown in table format – see Indicative timetable at Section 8

7.5 Any Additional Notes

Any information that you feel may be useful for the SRP can be included in this section of the report

7.6 Appendices

- The Current Structure
- The Proposed Structure
- The Proposed Job Descriptions
- The Draft Job Matching List

8. Indicative Timetable

ACTION	INDICATIVE TIMESCALE
Notify LA of intention to reorganise by submission of Outline Business Case (OBC)	Week 1
Schools Reorganisation Panel - Consideration of OBC	Week 1
Submission of Revised OBC (if required)	Week 4
Panel makes decision in principle to support the consultation	Week 5
Commencement of Consultation Meeting with staff (& Human Resources) Meeting with TU (& Human Resources) (Consultation papers to be issued at this meeting if it hasn't already been issued)	Week 5/6

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ACTION	INDICATIVE TIMESCALE
Surgeries one to one meetings with staff	Weeks 7/8
Meeting midway through consultation period	
Meeting with staff (& Human Resources) Meeting with TU (& Human Resources)	Week 9
Consultation period ends	Week 10
Responses to consultation process and final structure determined	Week 11
Applications for staff who have volunteered for redundancy or early retirement to be considered against selection criteria and staff notified of the decision	Week 11
Job Descriptions to be determined and verified (if any)	Week 11
Apply Selection Criteria	Week 12
Appeals to be heard by OC Panel and OC Appeals Panel	Week 13/14
Submission of Final Business Case (FBC)	Week 15
Schools Reorganisation Panel - Approval of funding	Week16

9. Templates

- 9.1 Letter 1 Appendix A
- 9.2 Letter 2 Appendix B
- 9.3 Letter 3 Appendix C
- 9.4 OBC/FBC Appendix D

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10. LA Governance Arrangements

10.1 On 8th June 2011, the School Forum agreed new governance arrangements for the approval of school reorganisations and associated funding, effective immediately. Please see attached Appendix E for those arrangements and scheduled meeting dates for the LA School Reorganisation Panel.