

Business Case Template – Restructure with potential redundancies

Introduction

[Insert Name] School is consulting on a proposal [or proposals] to reduce the number of employees at the School

Background

This section of the report can be used as the basis for preliminary discussion with the governing body as set out in the redundancy procedure.

The background will outline the reasons why redundancy appears to be a possibility, for example,

- change in the school curriculum
- reductions in the number of pupils
- an accumulated financial deficit
- loss of external funding.

The report should give supporting details, such as budget figures and pupil numbers, current and forecast.

It should also consider any implications for the school development plan.

Details of Proposals

This section of the report should not be shared with the governing body in the preliminary discussion but should form part of the report to be approved by the OC committee as the basis for consultation.

The details of the proposals are likely to cover some or all of the following, including information which would have to be included in a section 188 notice in the event of the procedure reaching that stage and in particular the strategies for avoiding or mitigating redundancy.

- The level of savings to be achieved and the period over which this will be spread. It may be that savings can only be achieved part way through a financial year and therefore the governing body may need to fund a deficit for the first year until the full-year effect of savings is achieved in the subsequent year(s). You must also provide the estimated redundancy costs associated with this proposal – if you don't, this may cause further delays in approval.
- The number and description of posts which at this stage it seems may be necessary to lose and the total number of employees of that description in the school, the area(s) from which they might come, having regard where appropriate to forecast pupil numbers, the school development plan, and the various options open to the school;

- Which posts have been funded, in whole or in part, by the grant which is ceasing and are therefore at risk unless the school wishes to give that area of work priority over certain other aspects of the work of the school;
- Which areas of the curriculum are to be changed or reduced, either because of changes in the national curriculum or because of reduced demand from pupils for certain subjects and the likely effect on the number of posts in those subject areas
- details from the school's financial management system of the school's budget and actual expenditure for the last year under budget headings;
- details from the school's financial management system of the school's budget and actual expenditure for the current year under budget headings, with the total indicative budgets for the following years where available;
- The proposed method of selecting the employees who may be dismissed and the method of dismissal
- The number of agency workers working temporarily for and under the supervision and direction of the school and the type of work they are undertaking
- The proposed method of calculating redundancy payments to be made to employees dismissed by reason of redundancy.
- Strategies to be adopted to avoid or mitigate the effects of redundancy, which may include the following:
 - anticipating normal retirements and resignations;
 - voluntary reductions in hours of work, including sharing jobs;
 - voluntary, unpaid leave of absence for personal or professional development or other personal reasons;
 - retraining staff at risk of redundancy to carry out another type of work so that they can fill appropriate vacancies within the school (by way of voluntary transfer);
 - no available opportunities for further employment for employees currently on temporary or fixed-term contracts;

- voluntary change in contract to provide for sharing an employee amongst a group of schools, with the contract of employment remaining with the base school;
- redeployment to a vacancy in another school, either through the agency of the local authority or contacts between head teachers, including reference to the requirement on the governing body to comply with the authority's advice on redeployment as a condition of the authority meeting the costs of any redundancy which might take place;
- suspending recruitment into certain posts that become vacant;
- seeking voluntary redundancies (although the head teacher must stress that that any expression of interest in voluntary redundancy cannot be invited until the redundancy committee has concluded that redundancies appear to be unavoidable and has asked for expressions of interest).

Implementation Plan/Time-line

Include details of what will be done, when it will be done and by whom using headings such as "Date" and "Action". Steps should be listed in chronological order and should include each stage of the redundancy procedure.

In preparing the plan it is advisable to work backwards from the date by which notice of redundancy would be given, according to the contractual and statutory notice requirements for different categories of employee.

Allow enough time to prepare paperwork for meetings as well as giving adequate notice to the participants.

Suggested items for Implementation Plan/Time-line

Pre-consultation steps

- MOC Procedure adopted by the governing body in full governing body meeting & minute made by Clerk for audit purposes;
- Explain to full governing body that proposals are being prepared which may affect the staffing structure of the school, the details of which will be shared with an appropriate HR representative and a separate OC committee prior to consultation starting. To ensure that subsequent OC proceedings are not compromised, the full governing body should not discuss the proposals in detail;
- Nominate a committee of 3 governors plus a reserve to support with the OC proposals or add the remit to an existing committee as appropriate (known as the OC Committee) and share terms of reference with them;

- Nominate a separate appeals committee of 3 governors plus a reserve to sit on any appeals panel as appropriate and share terms of reference;
- Prepare written business case and attachments and agree with HR and MOC Committee as basis for consultation with staff and/or Unions as appropriate.
- Prepare an Equality Impact Assessment with support from HR as appropriate, to ensure that the OC proposals do not discriminate against employees with particular protected characteristics as defined in the Equality Act 2010.

Consultation

Email copy of business case and appendices to city-wide unions (if proposing more than 20 redundancies within one establishment within a 90 day period, also include s.188 Notice and Form HN1. 30 day consultation period starts from this date [insert] – n.b. 45 day consultation if more than 20 within one establishment within a 90-day period.

Head Teacher or appropriate manager holds group meeting with directly affected staff and shares business case and appendices [Insert date held]. Redundancy estimates to be shared and written expressions of interest invited by end of the consultation period.

Register kept to ensure that all absent staff receive same information.

One-to-one meetings held with staff if requested [Insert dates].

Head Teacher holds whole school meeting to explain proposals and rationale.

Redundancy selection

- MOC committee to meet and decide on any applications for voluntary redundancy and decide whether to proceed to selection for compulsory redundancy [date _____]
- Selection procedure for nomination for compulsory redundancy [from _____ to _____]
- Hearings for people selected for redundancy [date(s) _____]
- Appeals hearing(s) [date(s) _____]
- Arrangements for formal notice of dismissal on grounds of redundancy [date by which notice would have to be given]