**INSERT LOGO**

**Performance Improvement Policy and Procedure**

**Status of Policy**: Non-contractual

**Policy applies to:** Employees of the [insert name of organisation]

**Review Date:** [insert date]

1. **Introduction**

The success of the [organisation] is dependent on the high performance of the staff that it employs. The [organisation] provides effective management and support and employees are clear about their roles, provided with appropriate training, up-to-date job descriptions and annual appraisals so that they are able to deliver their roles safely and effectively.

In return staff are expected to fulfil their role and responsibilities. However, there may be occasions where, despite support and advice, performance falls substantially below the required standard. This policy sets out the procedure where an employee’s performance falls short of the required standard.

This policy is subject to updates and amendments in line with legislative developments. This Performance Improvement Policy and Procedure meets the requirements of current employment law and has been developed using the ACAS Code of Practice as a guide.

1. **Purpose and Scope**

The purpose of this policy is to provide a constructive framework to address, identify and resolve any areas of concern relating to an individual’s performance and to ensure that any action taken is fair and consistent.

The focus of this approach is to support employees in improving or restoring satisfactory standards of performance Managers will, initially, attempt to resolve performance issues through informal discussions and support. If informal approaches do not remedy poor performance, the formal stages of the [organisation’s] Performance Improvement Policy will apply.

This policy and procedure applies to all staff employed by the [organisation].

Unsatisfactory performance which arises from lack of application or negligence on the part of the employee, rather than from capability, will be dealt with through the [organisation’s] Disciplinary Policy.

Where safeguarding issues are alleged, managers should refer to, and comply with the Diocesan Board of Finance ‘Safeguarding Allegations Management Process’.

Where an employee is also a member of the Clergy, advice will need to be sought as to whether use of the Clergy Capability Procedure should be considered.

1. **Right to Representation**

An employee has the right to be accompanied by an accredited Trade Union representative or colleague in any formal meeting. Consideration will also be given to allowing an employee, as an alternative, to be accompanied by a friend, not acting in a legal capacity. This consideration will be subject to the nature and sensitivities of the issues that need to be discussed.

It is an employees’ responsibility to arrange representation, and it should not cause unreasonable delay to the process.

1. **Procedure**

A summary of the performance improvement process is detailed in appendix A.

* 1. **Informal stages**

It is understood that performance/capability issues may arise and the expectation is that these will be addressed as soon after it is recognised that there is an issue with underperformance as possible. Managers should discuss their initial concerns as quickly as possible and then explore these in more depth during regular 1:1 or supervision meetings. In the majority of cases a proposed resolution can be agreed between the manager and the individual to resolve any problems at the earliest opportunity without initiating a formal procedure.

**The formal stages of the procedure will only be used when informal routes have failed to bring about a positive change in performance or consistently sustain an improvement in performance.**

During any informal monitoring period the employee should be clear about;

1. exactly what the concerns are regarding their performance,
2. the standards expected of them,
3. the support/training which will be put in place, and
4. the objectives that they are required to achieve within the agreed timescales. The objectives need to be SMART (Specific, Measurable, Achievable, Relevant and Time bound - see appendix B) and regularly reviewed by the manager and the individual during the review period and recorded on a ‘Performance Improvement Plan’ (example at appendix C).

A written record should be kept of all informal discussions regarding performance.

The member of staff should be advised that if performance does not improve to the required standard, during the informal stage, then this will lead to formal action being taken and that if their performance does not then improve to the required standard they may, ultimately, be dismissed on the basis of capability.

Employees do not have the right to be accompanied at informal meetings.

Where an individual’s performance improves to the required standards, the individual should be notified in writing. This letter should:

1. recognise the member of staff’s achievement in reaching the required performance standard, *and*
2. clarify the fact that the individual needs to maintain satisfactory levels of performance *and*
3. explain that failure to consistently maintain improvements may result in further action under the formal stages of the procedure.

Where performance does not meet the required standard at the end of the informal monitoring period (or sooner should performance levels deteriorate during the informal monitoring period) then the employee should be invited to stage 1 meeting subject to the considerations at 4.2 below.

If within a period of 12 calendar months, the improved standards are not consistently maintained at the required level, the manager will escalate the performance issues to a Formal Stage 1 Meeting subject to the considerations at 4.2 below.

**4.2 Issues to consider prior to commencing the formal process**

Before progressing to the formal process, consideration should be given to the following:

* The support or training that may have already been provided to the employee and whether this has been adequate and appropriate;
* Whether the objectives and deadlines which have been set are realistic and appropriate;
* How well the individual understands their role in the department and team;
* How well the individual understands her/his responsibilities within the department;
* How wide and how damaging the impact of the employee’s failure in performance has been;
* Whether there were any factors beyond the member of staff’s control which have resulted in her/him being unable to meet the standard(s) set;
* Whether there is evidence of a lack of supervision or management which may have impacted negatively on the member of staff’s performance.
* Whether or not the member of staff was acting in accordance with [organisation’s] strategy, policy or management guidance;
* Whether the instance of underperformance is a one-off occurrence which requires greater exploration with the member of staff, in order to understand the cause;
* Whether the employee has indicated that their performance may have been affected by ill health or a disability and, if so, (a) what actions have been taken under the [organisation’s] Absence Management Policy, (b) has Occupational Health advice been sought? (c) have any reasonable adjustments to the role been requested and made?

A checklist for managing all stages of this policy is attached at Appendix D.

* 1. **Formal Process**

Where the underperformance is of a sustained or serious nature, and the manager is unable to identify any mitigating circumstances which require action other than formal performance measures to be taken, the manager should arrange a formal Performance Management Meeting.

**Prior** to this meeting, the employee must be informed that they are now being formally managed under the [organisation’s] Performance Improvement Policy, provided with a copy of this policy, and advised that if their performance does not improve to the required standard after further support and appropriate warnings, that they may, ultimately, be dismissed on the basis of capability

Staff have the right to be represented at any formal meeting (section 3).

**Following** any formal capability meeting the outcome of the meeting must be confirmed in writing, setting out:

1. the nature of the unsatisfactory performance,
2. any steps identified to remedy the situation, and
3. the timescale for review.

Where appropriate, the letter following a formal meeting will state that a first or second warning of unsatisfactory performance has been issued and describe the likely consequences of a failure to improve performance by the review date.

Each review stage of the policy will usually last between four and six weeks. In some cases, it may need to be longer and in other cases - where improvements are very straightforward - it may be shorter.

* + 1. **Stage 1 First Warning**

If the required standard(s) have not been reached in the informal procedure, or maintained in the period following an informal stage then a meeting should be held to move the employee to the first formal stage of the policy (Stage 1 First Warning).

The manager should write to the employee to invite them to this meeting giving reasonable notice. The written confirmation of the meeting must include:

* An explanation that the employee has reached Stage 1 of the [organisation’s] Performance Improvement Policy and that therefore a meeting under this stage of the policy will take place;
* Clear details of the identified shortfalls in performance;
* All necessary supporting documentation;
* Details of any informal discussions which have taken place up to this point
* Confirmation of the right of representation (section 3)

The employee should take all reasonable steps to attend the meeting.

The approach at this meeting will be as supportive as possible. At this meeting the following points will be addressed:

* The individual’s understanding of the nature of her/his role and the standards expected
* Clarification of the objectives, confirmation of the standards of performance expected and explanation of where and how the individual has failed to meet these (providing specific examples);
* Potential causes of shortfall in performance
* Appropriate assistance and support to the individual to help to achieve the required standards;
* Any training and support which the employee needs, in order to improve (e.g. training, counselling, training, equipment, mentoring etc.);
* Details of an appropriate period for monitoring improvement (usually 4 to 6 weeks),, along with confirmation of the method(s) which will be used to review, monitor, and measure performance.
* The consequences of failure to improve performance – including the fact that this could, ultimately, lead to dismissal on the grounds of capability.

Following the meeting, a letter summarising the main points of discussion, and the outcome of the meeting will be sent to the employee.

During the review period the employee’s performance will be closely monitored, and regular meetings scheduled to discuss progress and any further support which may be needed.

If at the end of the review period an individual’s performance improves to the required standards, the individual should be notified in writing. This letter should:

1. recognise the member of staff’s achievement in reaching the required performance standard, *and*
2. clarify the fact that the individual needs to maintain satisfactory levels of performance *and*
3. explain that, if within a period of 12 calendar months from the end of the review period, the agreed standards are not consistently maintained then the manager will escalate the performance issues at a Formal Stage 2 meeting.
   * 1. **Stage 2- Second Warning**

If the required standard(s) have not been reached during Stage 1, or performance has not been sustained during the 12 month period following the Stage 1 meeting, then a further formal meeting should be held to move the employee to Stage 2 of the policy. The same meeting format as Stage 1 (4.2.1) should be followed.

At the meeting a review date will be set to assess whether or not the required improvement in performance has been met. The employee will be informed that failure to reach the standard required may lead to dismissal on the basis of capability. The review will usually take place within 4 to 6 weeks depending on the circumstances of the case and the availability of any required support or training which has been identified, however there should be regular meetings throughout the plan to check on progress against targets and ensure that the employee has adequate support.

Following the meeting, a letter summarising the main points of discussion, and the outcome of the meeting will be sent to the employee.

If at the end of the review period an individual’s performance improves to the required standard, the individual should be notified in writing. This letter should:

1. recognise the member of staff’s achievement in reaching the required performance standard, *and*
2. clarify the fact that the individual needs to maintain consistently satisfactory levels of performance and that failure to do to so may result in a direct return to the formal stages of the procedure, *and*
3. explain that, if within a period of 12 calendar months from the end of the review period, the agreed standards are not consistently maintained then the manager will escalate the performance issues at a Formal Stage 3 hearing.
   * 1. **Stage 3 - Dismissal**

**Prior to the hearing**

If the employee does not make satisfactory progress by the review date, or fails to sustain performance within 12 months of being at Stage 2 and it is evident to the manager that the required standards are not being met and are unlikely to be met within the time scale set, then the employee may be dismissed following a final review hearing by a performance panel.

A performance panel will consist of at least 3 panel members;

* the chair of the panel,
* another appropriate person [insert as appropriate]
* a third panel member to ensure objectivity or be an expert in the field relating to the employee’s place of work, or from the profession to which the employee belongs.

The Chair of the performance panel hearing should not have been actively involved in the performance management process to date, and must be one of the following people with the authority to dismiss:

[Insert appropriate person/people e.g. Chair of the Parish Council – this should be the same person/people who are authorised to dismiss under the terms of the Disciplinary Policy]

The manager who dealt with Stage 2 will need to write a case for dismissal in preparation for the hearing. When writing the report, the manager should:

* Ensure that any evidence that has been gathered and which will be presented at the hearing is sufficiently robust and balanced.
* Offer an analysis of why the previous stages under the Performance Improvement process had not resulted in satisfactory performance being achieved/maintained.
* Consider any arguments and mitigating factors the employee might put forward and how they may respond to these.
* Think about whether the expectations of the employee were set out clearly, whether the objective and timescales were reasonable, and whether the employee was given sufficient training and support.

When arranging the hearing, the manager should:

* Ensure that the hearing is arranged as quickly as possible, allowing time for report writing/any necessary investigations and giving adequate notice to the employee.
* Remember that the employee is entitled to be accompanied (section 3)
* Ensure that the employee (and representative) are given a copy of any documentation which will be used at the meeting, together with a copy of the [organisation’s] Performance Improvement Policy. This information should be provided at least 5 days before the meeting.

**Performance Hearing**

At this hearing the member of staff’s manager will present their case for dismissal to the hearing panel and to the employee and their representative, detailing the areas in which the employee has failed to achieve an acceptable level of performance as set out in the agreed standards and/or objectives, and detailing all the steps taken to date to support the member of staff in achieving an acceptable level of performance.

The employee and their representative will have the opportunity to ask questions of the manager, and to present their own evidence in relation to the employee’s performance.

The panel will have the opportunity to ask questions of both the manager and the employee before adjourning to make a decision.

Having heard all of the evidence on the employee’s performance, the panel will adjourn to consider whether the employee’s performance adequately meets the required standards, or whether the performance is below a minimum acceptable standard. They will also consider whether there are any mitigating factors which may have impacted on the member of staff’s performance (for example, illness, disability, unreasonable standards having been set, lack of training etc.). They will then draw a conclusion about the outcome to be applied.

This outcome will be one of the following:

1. If the panel concludes that the employee’s performance has improved so that it adequately meets the required standards, then this will be confirmed to the manager and the employee.

The chair will confirm both at the hearing and, subsequently, in writing that, provided the standards continue to be met within the 12 months following the meeting, no further action will be taken and the employee’s performance will continue to be monitored by the employee’s manager in the usual way.

If, however there is a failure to maintain the agreed standards during the next year, the manager will recommence the performance improvement process at Stage 3.

1. If the panel concludes that employee’s performance is below a minimum acceptable standard, then they will consider the following options:
2. **Downgrading**

Downgrading should be considered as an alternative to dismissal on grounds of capability (performance) if (a) an appropriate post is available, and (b) it is apparent that the member of staff has the appropriate skills and experience to successfully carry out the alternative post

The normal process of downgrading is that a member of staff moves to a lower graded post in the department (or, sometimes, the wider organisation) which has been identified as suitable, and in which it is considered that the employee will be able to perform effectively.

Where an employee is downgraded in line with this policy the changes to terms and conditions (including the lower salary) will be permanent. There will be no protection of pay for any employee redeployed to a lower graded post, by reason of capability under the terms of this policy. The employee will receive the appropriate salary for the lower graded post which has been made available to them.

1. **Dismissal**

If the employee:

1. refuses down-grading, or
2. if an appropriate post is not available, or
3. if downgrading is not considered to be appropriate (i.e. if the employee’s performance and capability issues are such that it is not considered that they would be able to perform effectively in another post)

then the panel may conclude that there is no alternative to dismissal of the employee. In such a case, the employee’s contract will be terminated on the grounds of capability (performance).

Dismissal on the grounds of capability (performance) will be effected with the appropriate contractual notice period (or, exceptionally, payment in lieu of notice).

The decision of the panel will normally be given on the day of the hearing and will in any event be confirmed in writing within 10 working days of the hearing.  The employee will have a right of appeal against the decision (section 6).

1. **Non Attendance a Performance Hearing**

Failure to attend a performance hearing without appropriate justification, is not acceptable, and a hearing may proceed in the employee’s absence where no such justification exists. The chair of the panel, in conjunction with the other panel members, will decide if this action is appropriate.

Performance hearings may be re-arranged once if the employee or their representative is unable to attend, providing they have given prior warning. At the second attempt, the hearing will take place and a decision will be made in the employee’s absence unless there are highly exceptional circumstances.

1. **Right of Appeal**

Any employee dismissed ordowngradedunder the [organisation’s] Performance Improvement Policy has a right to appeal against that decision in accordance with the [organisation’s] Appeal Policy.

If an employee wishes to appeal, then s/he may write a letter of appeal to [insert appropriate person] at the following address:

INSERT ADDRESS

The letter of appeal should be submitted within 10 working days of receipt of the outcome letter.

Any appeal will be dealt with in line with the [organisation’s] Appeals Policy and Procedure. The appeal will be the final stage of the process and this decision is final.

1. **Sickness Absence**

Extended or frequent absence or sick leave will be managed under the [organisation’s] Absence Policy. Sick leave may make the monitoring and assessment of the employee’s performance difficult at any stage of the procedure. If the length or frequency of absences is such that the employee has not had a reasonable opportunity to improve their performance the procedure should be put on hold pending the employee’s return to work. On their return to work the procedure should be re-entered at the stage which had been reached prior to the absence.

**Appendix A- Performance Process**

Robust induction programme / Setting Standards & Objectives Appraisal / Feedback

Initial Performance monitoring. Setting of clear & specific objectives and action points. Details of any support or training. Review period of 4 – 6 weeks. Performance counselling outcome letter given to employee within five working days’ Regular review meetings take place.

**Standards Met**

No further action will be taken - confirmed in writing Employee’s performance monitored as usual Any reoccurrences in the following 12 months may result in the employee moving to Stage 1

**Standards Not Met**

**Stage 1**

Hold meeting: Resetting of clear & specific objectives. Details of any support or training. Review period set. Regular review meetings take place

**Standards Met**

No further action will be taken - confirmed in writing Employee’s performance monitored as usual Any reoccurrences in the following 12 months may result in the employee moving to stage 2

**Standards Not Met**

**Stage 2**

Manager meets with employee to advise the required standard has not been met. Further targets set and review date planned. Employee advised that further failure to meet objectives may result in dismissal

**Standards Met**

No further action will be taken - confirmed in writing Employee’s performance monitored as usual Records of the formal stage 1 meeting retained on employee file for 12 months. Any reoccurrences in the following 12 months may result in the employee moving to stage 3

**Standards Not Met**

**Stage 3**

Review whether objectives have been met and were reasonable.

Possible Outcomes:

* Downgrading
* Termination of employment on the ground of capability with appropriate notice.

**Right of Appeal**

Employee can appeal against dismissal in accordance with the Appeal policy

**Appendix B - SMART Objectives**

Employees must be able to understand their objectives and know what they need to do in order to achieve them. It is usual for line managers to agree objectives through discussion with individual.

The ‘SMART’ acronym is a useful way of getting objectives right.

* Specific – objectives should state a desired outcome. What does the employee need to achieve?
* Measurable – how will you and the employee know when an objective has been achieved?
* Achievable – is the objective something the employee is capable of achieving but also challenging?
* Relevant – do objectives relate to those of the role/team /department?
* Time bound – when does the objective need to be achieved?

|  |  |
| --- | --- |
| **SMART** | **NOT SMART** |
| Answer all customer queries within two working days. | Answer customer queries as quickly as possible. |
| To review the departments filing systems and make recommendations for improvements to Line Manager by mm/yy with agreed implementation of recommendations by dd/mm/yy | Improve admin processes |

**Appendix C- Sample Performance Improvement Plan**

Name:

Role:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Target area  Detail specific area where performance standards have not been met | Performance Issue  Detail specific dates and examples of where the standards have not been met | Performance Required  Detail what is expected of the employee in terms of their performance i.e. what does ‘good’ look like | Action required to achieve this  Detail what actions need to be taken to meet expected standard of performance | Review Date | Date to be achieved by | Review notes  Detail improvement made and any future review dates | Next planned meeting | Support  Detail what has been agreed in terms of support required to achieve the expected standard of performance |
| *EXAMPLE: Organisational skills - difficulty organising workload on a daily basis.* | *EXAMPLE:*  *Two deadlines missed (insert details) and complaint received from Department X who did not receive a response to an email sent twice on (insert dates).* | *EXAMPLE:*  *To effectively manage workload on a daily basis, meet deadlines efficiently, prioritise tasks and respond to emails in a timely manner.*  *Measured by management observation of performance of tasks.* | *EXAMPLE:*  *Operate daily ‘To Do’ check list and a diary. To respond to emails received within 3 working days.* | *EXAMPLE:*  *To be reviewed in 4 weeks (insert date).* | *EXAMPLE:*  *Standard expected to be achieved within 8 weeks (insert date)* | *EXAMPLE:*  *Outlook training completed on (insert date), daily to do lists being written. Responding to emails faster, but further improvement needed. Work shadowing will continue. Review in 2 weeks.* |  | *EXAMPLE:*  *Training in Outlook task lists and calendar.*  *To work shadow colleague Y in prioritising her daily tasks.* |

**Appendix D Action Plan Paperwork Checklist for Managers**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| STAGE and ACTIVITY |  | | Completed | | | Date | | | Notes | |
| Informal stage – First Meeting |  | |  | | |  | | |  | |
| Policy given to individual and policy explained | | |  | | |  | | |  | |
| Review date set and individual informed | | |  | | |  | | |  | |
| Summary letter given to individual after first informal meeting | | |  | | |  | | |  | |
| Informal stage – During 4 week period (or timescale agreed) | |  |  | | |  |  |  |  |  |
| Collation of evidence to demonstrate achievement of targets, and/or examples of shortfalls in performance | | |  | | |  | | |  | |
| Copies of notes given to individual following regular review meetings | | |  | | |  | | |  | |
| Informal stage – Review Meeting | | |  |  |  |  |  |  |  |  |
| If moving to Stage 1, invitation to Stage 1 formal letter | | |  | | |  | | |  | |
| Manager brings evidence of the first informal meeting with individual, (i.e. summary letter) confirming targets set, and what support will be provided to ensure achievement of competencies | | |  | | |  | | |  | |
| Manager brings evidence that regular meetings have taken place with individual to review achievement of competencies during informal stage | | |  | | |  | | |  | |
| Manager brings evidence of any assessments / observations / feedback relating to achievement of competencies during informal review period | | |  | | |  | | |  | |
| Manager brings evidence of necessary training required to achieve competencies, where applicable | | |  | | |  | | |  | |
| Review date set | | |  | | |  | | |  | |
| Summary letter sent to individual to summarise Stage 1 meeting | | |  | | |  | | |  | |

|  |  |  |  |
| --- | --- | --- | --- |
| Stage 1 – During 4 week period |  |  |  |
| Collation of evidence to demonstrate achievement of targets, and/or examples of shortfalls in performance. |  |  |  |
| Copies of notes given to individual following regular review meetings |  |  |  |
| Stage 1 – Review Meeting |  |  |  |
| Manager brings evidence that regular meetings have taken place with individual to review achievement of competencies during Stage 1. |  |  |  |
| Manager brings evidence of any assessments / observations / feedback relating to achievement of competencies during Stage 1 |  |  |  |
| If competencies not met, agree to move to Stage 2 at this meeting, or agree a date to meet again. |  |  |  |
| Summary letter of review meeting sent to individual, confirming either competencies for Stage 2, or confirmation of when stage 2 meeting will be held. |  |  |  |
| Stage 2 Formal Meeting |  |  |  |
| Manager brings evidence that regular meetings have taken place with individual to review achievement of competencies during stage 1. |  |  |  |
| Manager brings evidence of any assessments / observations / feedback relating achievement of competencies during Stage 1 review period. |  |  |  |
| Manager brings evidence of necessary training required to achieve competencies, where applicable |  |  |  |
| Review date set |  |  |  |
| Summary letter sent to individual to summarise Stage 2 meeting. |  |  |  |
| Stage 2 – During 4 week period |  |  |  |
| Collation of evidence to demonstrate achievement of targets, and/or examples of shortfalls in performance. |  |  |  |
| Copies of notes given to individual following regular review meetings |  |  |  |
| Stage 2 – Review Meetings |  |  |  |
| Manager brings evidence that regular meetings have taken place with individual to review achievement of competencies during Stage 2. |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Manager brings evidence of any assessments / observations / feedback relating to achievement of competencies during Stage 2 |  |  |  |
| Confirmation of options if competencies are not met – dismissal, transfer to another job, demotion |  |  |  |
| Summary letter of review meeting sent to individual, confirming either competencies have been met, or confirmation of remaining performance concerns and when Stage 3 hearing will be held. |  |  |  |
| Stage 3 – Dismissal Hearing |  |  |  |
| Date for hearing set |  |  |  |
| Hearing panel organised with the Employee Services team |  |  |  |
| Case report created by Manager to demonstrate that all stages of policy have been followed |  |  |  |
| Invitation to hearing letter for individual |  |  |  |
| Packs sent to panel |  |  |  |
| After Hearing, letter sent to Panel confirming the outcome and any next steps as appropriate |  |  |  |