



NW
NORWOOD UK

**CAPABILITY
PROCEDURE POLICY**

Capability Procedure Policy

The primary aim of this procedure is to provide a framework within which managers can work with employees to maintain satisfactory performance standards and to encourage improvement where necessary.

It is our policy to ensure that concerns over performance are dealt with fairly and that steps are taken to establish the facts and to give employees the opportunity to respond at a hearing before any formal action is taken.

This policy is used to deal with poor performance. It does not apply to cases involving genuine sickness absence, proposed redundancies or misconduct. In those cases reference should be made to the appropriate policy or procedure in the Handbook.

Identifying performance issues

In the first instance, performance issues should normally be dealt with informally between you and your manager as part of day-to-day management.

The formal procedure should be used for more serious cases, or in any case where an earlier informal discussion has not resulted in a satisfactory improvement. Informal discussions may help:

- clarify the required standards;
- identify areas of concern;
- establish the likely causes of poor performance and identify any training needs; and / or
- set targets for improvement and a time-scale for review.

Employees will not normally be dismissed for performance reasons without previous warnings.

Notification of a capability hearing

If we consider that there are grounds for taking formal action over alleged poor performance, you will be required to attend a capability hearing. We will notify you in writing of our concerns over your performance, the reasons for those concerns, and the likely outcome if we decide after the hearing that your performance has been unsatisfactory.

We will also include the following where appropriate:

- a summary of relevant information gathered as part of any investigation;
- a copy of any relevant documents which will be used at the capability hearing;
- a copy of any relevant witness statements, except where a witness's identity is to be kept confidential, in which case we will give you as much information as possible while maintaining confidentiality.

We will give you written notice of the date, time and place of the capability hearing. The hearing will be held as soon as reasonably practicable, but you will be given a reasonable amount of time (normally five working days) to prepare your case based on the information we have given you.

You have the right to be accompanied by a work colleague (or Trade Union Representative) who may make representations and ask questions on your behalf. Your representative will not, however, be permitted to answer questions put to you by the Company.

You should take all reasonable steps to attend a capability hearing. If however, you or your companion is not able to attend the hearing at the appointed time, you should notify the Human Resources Department. An alternative hearing will be arranged at a time to suit all parties, but ideally, not more than five working days after the date of the original hearing.

We may adjourn the hearing if we need to carry out further investigations, after which the meeting will usually be reconvened.

Failure to attend a re-arranged hearing, without good reason, will result in the Company making a decision in your absence.

Capability hearings

The hearing will normally be held by your manager or a more senior manager and will may be attended by a member of the Human Resources Department.

You may ask relevant witnesses to appear at the hearing, provided you give us sufficient advance notice to arrange their attendance. You will be given the opportunity to respond to any information given by a witness.

The aims of a capability hearing will usually include:

- setting out the required standards that we believe you may have failed to meet, and going through any relevant evidence that we have gathered;
- allowing you to ask questions, present evidence, call witnesses, respond to evidence and make representations;
- establishing the likely causes of poor performance including any reasons why any measures taken so far have not led to the required improvement;
- identifying whether there are further measures, such as additional training or supervision, which may improve performance;
- where appropriate, discussing targets for improvement and a time-scale for review;
- if dismissal is a possibility, establishing whether there is any likelihood of a significant improvement being made within a reasonable time and whether there is any practical alternative to dismissal, such as redeployment.

We will inform you in writing of our decision and our reasons for it, usually within five working days of the capability hearing. Where possible we will also explain this information to you in person.

Stage 1 hearing: first written warning

Following a Stage 1 capability hearing, if we decide that your performance is unsatisfactory, we will give you a first written warning.

The warning will set out:

- the areas in which you have not met the required performance standards;
- targets for improvement;
- any measures, such as additional training or supervision, which will be taken with a view to improving performance;
- the “review period” (see below); and
- the consequences of failing to improve within the review period, or of further unsatisfactory performance.

The warning will normally remain active for six months, after which time it will be disregarded for the purposes of the capability procedure.

Review period

Your performance will be monitored during the review period and we will write to inform you of the outcome:

- if your manager is satisfied with your performance, no further action will be taken;
- if your manager is not satisfied, the matter may be progressed to a Stage 2 capability hearing; or
- if the manager feels that there has been a substantial but insufficient improvement, the review period may be extended.

Stage 2 hearing: final written warning

If your performance does not improve within the review period set out in a first written warning, or if there is further evidence of poor performance while your first written warning is still active, we may decide to hold a Stage 2 capability hearing.

Following a Stage 2 capability hearing, if we decide that your performance is unsatisfactory, we will give you a final written warning, setting out:

- the areas in which you have not met the required performance standards;
- targets for improvement;
- any measures, such as additional training or supervision, which will be taken with a view to improving performance;
- the “review period”; and
- the consequences of failing to improve within the review period, or of further unsatisfactory performance.

A final written warning will normally remain active for 12 months. After the active period, the warning will remain permanently on your personnel file but will be disregarded in deciding the outcome of future capability proceedings.

Review period

Your performance will be monitored during the review period and we will write to inform you of the outcome:

- if your manager is satisfied with your performance, no further action will be taken;
- if your manager is not satisfied, the matter may be progressed to a Stage 3 capability hearing; or
- if the manager feels that there has been a substantial but insufficient improvement, the review period may be extended.

Stage 3 hearing: dismissal or redeployment

We may decide to hold a Stage 3 capability hearing if we have reason to believe:

- your performance has not improved sufficiently within the review period set out in a final written warning;
- your performance is unsatisfactory while a final written warning is still active; or
- your performance has been grossly negligent such as to warrant dismissal without the need for a final written warning.

Following the hearing, if we find that your performance is unsatisfactory, we may consider a range of options including:

- dismissing you;
- redeploying you into another suitable job at the same or a lower grade;
- extending an active final written warning and setting a further review period (in exceptional cases where we believe a substantial improvement is likely within the review period); or
- giving a final written warning (where no final written warning is currently active).

Dismissal will normally be with full notice or payment in lieu of notice, unless your performance has been so negligent as to amount to gross misconduct, in which case we may dismiss you without notice or any pay in lieu.

Appeals against action for poor performance

If you feel that a decision about poor performance under this procedure is wrong or unjust you should appeal in writing, stating your full grounds of appeal, to Justin Shuttlewood within five working days of the date on which you were informed in writing of the decision.

If you are appealing against dismissal, the date on which dismissal takes effect will not be delayed pending the outcome of the appeal. However, if your appeal is successful you will be reinstated with no loss of continuity or pay.

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We will give you written notice of the date, time and place of the appeal hearing. This will normally be five working days after you receive the written notice.

Where possible, the appeal hearing will be conducted by a more senior manager who has not been previously involved in the case. A member of the Human Resources Department and / or the manager who conducted the capability hearing will also usually be present. You may bring a companion with you to the appeal hearing.

Following the appeal hearing we may:

- confirm the original decision;
- revoke the original decision; or
- substitute a different penalty.

We will inform you in writing of our final decision as soon as possible, usually within five working days of the appeal hearing. Where possible we will also explain this to you in person. There will be no further right of appeal.

Recordings

You, and anyone accompanying you (including witnesses), must not make electronic recordings of any meetings or hearings conducted under this procedure.

Signed for and on behalf of the company

A handwritten signature in blue ink, appearing to read 'Jo Shuttlewood', written over a faint, light blue circular stamp or watermark.

Jo Shuttlewood – HR Director