

HR 02

Appraisal Policy

Policy applicable to:

NHS Guildford and Waverley CCG	✓
NHS North West Surrey CCG	✓
NHS Surrey Downs CCG	✓

Policy number	HR02
Version	1.2
Approved by	Governing Bodies
Name of originator/ author	Becky Brewer – Head of HR
Owner (director)	Elaine Newton – Executive Director of Communications and Corporate Affairs
Date of last approval	August 2019
Next approval due	August 2022

Working together as the Surrey Heartlands Clinical Commissioning Groups

Guildford and Waverley CCG | North West Surrey CCG | Surrey Downs CCG

Version control sheet

Version	Date	Author	Status	Comments / changes since last version
0.1	05/11/2018	Head of HR	Draft	New policy
0.2	04/03/2019	Head of HR	Draft	Reviewed by JSPF
0.3		Head of HR	Draft	
1.0		Head of HR	Final Draft	
1.1	31/05/19	Governance Team	Draft	Minor formatting
1.1	11/07/19	Remuneration Committees	Final	<p>Remuneration Committees recommended to Governing Bodies pending amendments as follows:</p> <ul style="list-style-type: none"> • VSM process to be outside of policy. • Employee escalation to HR ahead of pay steps being withheld.
1.2	02/09/19	Governing Bodies	Final	Via Chairs' Actions

Equality statement

The Surrey Heartlands' CCGs aim to design and implement services, policies and measures that meet the diverse needs of our service, population and workforce, ensuring that none are placed at a disadvantage over others. We take into account the Human Rights Act 1998 and promote equal opportunities for all. This document has been assessed to ensure that no employee receives less favourable treatment on the protected characteristics of their age, disability, sex (gender), gender reassignment, sexual orientation, marriage and civil partnership, race, religion or belief, pregnancy and maternity.

Members of staff, volunteers or members of the public may request assistance with this policy if they have particular needs. If the member of staff has language difficulties and difficulty in understanding this policy, the use of an interpreter will be considered.

We embrace the four staff pledges in the NHS Constitution. This policy is consistent with these pledges.

See next page for an Equality Analysis of this policy.

Equality analysis

Equality analysis is a way of considering the effect on different groups protected from discrimination by the Equality Act, such as people of different ages. There are two reasons for this:

- to consider if there are any unintended consequences for some groups
- to consider if the policy will be fully effective for all target groups

Title of Policy: Appraisal Policy	Policy Ref: HR 02
Assessment conducted by (name, role): Becky Brewer – Head of HR	Start date for analysis: Finish date:
Give a brief summary of the policy. Explain its aim. This policy provides both managers and staff with guidance on the process of an appraisal. The aim is to support staff to ensure that the appraisal process is fair and equitable for all employees and it is applied fairly. It will aim to increase job satisfactions and ensure employees receive recognition for their achievement, and allow for learning and development areas to be identified.	
Who is intended to <u>benefit from</u> this policy? Explain the aim of the policy as applied to this group. All employees	
1. Evidence considered. <i>What data or other information have you used to evaluate if this policy is likely to have a positive or an adverse impact upon protected groups when implemented?</i> <ul style="list-style-type: none"> • Comparison of policies across North West Surrey, Surrey Downs and Guildford and Waverley CCGs as well as similar policies in other public bodies. • Demographic data • Result of recent staff surveys • Workforce data 	
2. Consultation. <i>Give details of all consultation and engagement activities used to inform the analysis of impact.</i> The review of the policy has been consulted with the Joint Staff Partnership Forum and is in accordance with NHS employers terms and conditions which is a nationally agreed terms of appointment for NHS Staff. This policy is also therefore compliant with equality requirements.	
3. Analysis of impact In the boxes below, identify any issues in the policy where equality characteristics require consideration for either those abiding by the policy or those the policy is aimed to benefit, based upon your research.	

<p>Are there any likely impacts for this group? Will this group be impacted differently by this policy? Are these impacts negative or positive? What actions will be taken to mitigate identified impacts?</p>	
a) People from different age groups (Age)	All staff, regardless of position, are entitled to have an annual Appraisal. This provides a specific, more formal opportunity each year for every employee and their manager to have purposeful two way discussions about their job, present and future, and their specific training and development needs.
b) People with disabilities (Disability)	As part of the CCGs commitment to support staff with any known disabilities, staff or managers who require any additional support during the appraisal process will be. This will be discussed at regular 1-2-1 and all development reviews, and not left to the annual appraisal meeting
c) Men and women (Gender or Sex)	No negative impacts identified at this stage of screening.
d) Religious people or those with strongly held philosophical beliefs (Religion or belief)	No negative impacts identified at this stage of screening.
e) People from black and minority ethnic groups (Race)	No negative impacts identified at this stage of screening.
f) People who have changed gender or who are transitioning to a different gender (Gender reassignment)	No negative impacts identified at this stage of screening.
g) Lesbians, gay men, bisexual people (Sexual orientation)	No negative impacts identified at this stage of screening.
h) Women who are pregnant or on maternity leave (Pregnancy and maternity)	If an employee is absent from work during their appraisal review, a review can be conducted upon their return and entitlements will not be withheld.
i) People who are married or in a civil partnership (Marriage and Civil Partnership)	No negative impacts identified at this stage of screening.
j) Carers	No negative impacts identified at this stage of screening.
<p>If any negative or positive impacts were identified are they valid, legal and/or justifiable? Please detail.</p> <p>The above positive impacts are justified in that this provides a fair and equal opportunity for all</p>	

4. Monitoring- *How will you review/monitor the impact and effectiveness of your actions?*

Policy monitoring is an integral part of the policy cycle. The effectiveness of the policy will be assessed by the review of HR metric data

5. Sign off

Lead Officer: Becky Brewer – Head of HR

Date approved: 10/05/2019

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1. Introduction

- 1.1 This policy has been developed to ensure that each employee within the CCGs receives a formal appraisal on a 12 monthly basis with regular review. This appraisal discussion provides a formalised opportunity to stand back from day to day matters and ensure that individual and team achievements meet personal, team and CCGs' objectives and requirements and support the individual with any learning needs.
- 1.2 The appraisal process is an integral part of the CCG's performance management system. The documentation should remain live and current and updated regularly during review meetings. This Policy is in place to ensure that the CCGs have a clear, consistent and fair approach to appraisals. Everyone is responsible for creating an enjoyable place to work, cultivating a high performance culture which puts the patient at the heart of everything we do.
- 1.3 The principles of this policy are to ensure that all staff, both appraisees and appraisers, are aware of the expectations of the CCGs and are equipped to successfully implement the appraisal process.
- 1.4 The aim of the appraisal process is to maximise the effectiveness and potential of each employee so that the CCGs' successfully achieves its objectives, support employees with personal development and maintain and promote staff wellbeing.
- 1.5 The overall objective of an effective appraisal process should be to help staff to maximise their job performance for the benefit of both the individual and the organisation.

2. Scope

- 2.1 The appraisal process is mandatory for all employees and provides a clear link between performance and pay progression. This Policy applies to all staff on agenda for change contracts. VSM staff will work to a separate process outside of this policy. For Nurses and Allied Health professionals (AHPs), the CCGs' appraisal process will support professional revalidation requirements and should cover discussions regarding evidence and reflection. For those who are not directly employed by the CCGs but on terms of appointment or similar, including GPs and clinical leads there is a separate process for performance review for which information can be obtained from Human Resources.

3. Terminology

- 3.1 Appraisal - Appraisal involves a twelve-monthly cycle of performance review and personal development which culminates in a 1-to-1 structured appraisal discussion with at least a six-monthly review point to discuss progress on objectives. The process of appraisal begins on appointment.
- 3.2 Appraisee - Staff undertaking their appraisal and being appraised.

3.3 Appraiser - Normally the Line Manager (or it may be a supervisor or designated deputy) who is responsible for conducting a member of staff's appraisal.

4. Roles and Responsibilities

4.1 **The CCGs** are responsible for:

- Ensuring an effective appraisal process is in place;
- Ensuring Employees are aware of this Policy and adhere to its requirements.

4.2 **The Appraisee** is responsible for:

- Ensuring that they are familiar with the content of their job description for their post and are aware of the expected behaviours and levels of performance they are required to demonstrate.
- Ensuring they are informed about what is expected in relation to the appraisal process and accessing training, if required, to actively support in preparation for their appraisal review
- Reflecting on their performance and behaviours since the last appraisal, collating evidence of previous fulfilment of objectives, for discussion.
- Being proactive and responsible for identifying and communicating learning needs.
- Being proactive in asking for help if needed.
- Requesting appraisal discussions with their manager and escalating if these are not taking place.
- Participating fully in the appraisal process including proactively preparing for appraisal meetings. Refusal to participate in the appraisal process could be considered a disciplinary matter and will be dealt with through the Disciplinary Policy.

4.3 **The Appraiser** is responsible for:

- Participating fully in the appraisal process to ensure a well-managed appraisal process and accessing training, if required, to understand how to prepare for/conduct appraisals.
- Ensuring that each employee has an individual appraisal at least once every 12 months.
- Ensuring that each employee has an up to date job description/person specification and that they are familiar with the competencies required
- Ensuring that each employee has work objectives and personal development plan (PDP) in place and that all objectives set are SMART (specific, measurable, attainable, realistic and timely).

- Ensuring that an appraisal takes place before an employee's incremental date (one month in advance) so as not to delay confirmation that the individual should (if a positive appraisal outcome is reached) progress to the next pay point.
- Providing HR with a completed copy of the appraisal document which has been signed by all parties and confirmation regarding the change to a pay point if necessary.
- Ensuring that each individual is assigned an agreed rating
- Meeting regularly with individual(s) in between appraisal meetings for 1:1 meetings and a six-monthly review point as a minimum
- Notifying the individual when objectives are not being met to the required standard, discussing the reasons behind this and why and how they can support the individual to reach the required performance alongside supporting documentation being provided to evidence previous concerns raised.

4.4 HR is responsible for:

- Providing appraisal advice, support and training to managers.
- Ensuring that appraisers have had the necessary training and information to carry out an appraisal discussion and that all direct reports understand their responsibilities in relation to the appraisal process.
- Helping managers to identify and overcome the barriers which prevent appraisals taking place.
- Providing an independent review of all submitted appraisals to ensure consistency, compliance and equality.
- Generating quarterly reports to the Surrey Heartlands, Joint Executive Team to ensure compliance and the effective management of the appraisal system.
- Providing confirmation to payroll regarding any change to the individuals pay point, on receipt of the confirmation from the manager

5. General principles

- 5.1 All appraisal meetings are based on the premise of 'no surprises' – there is an expectation that dialogue and conversations will be ongoing throughout the year, supporting the appraisee in their awareness of their strengths, areas for development and progress on achieving their objectives.
- 5.2 The appraisal meeting is not the forum for raising new concerns or issues; the overall process may recognise issues regarding performance, but these should first be addressed through supervision in line with relevant policies.

- 5.3 Where significant changes to the job description have been agreed by the post-holder and the manager, advice should be sought from Human Resources for its potential impact on the job evaluation of the post, ensuring jobs are matched to national job profiles to determine within which pay band a post should sit.
- 5.4 Where a staff member is new or has a new management relationship in place (i.e. less than 3 months) it will still be important to have an appraisal meeting to reflect and set objectives within the first quarter and to review behaviours. It is important that staff feel valued and that the time spent has been useful in identifying training, learning and development needs. Where staff are within their probation period, section 5.4 should be read in conjunction with the Probation Policy.
- 5.5 Where staff are absent from work during a period where an appraisal is due (i.e. for reasons of extended sickness/ Maternity/ Paternity/ Adoption Leave) an appraisal must still be held within one month of the individual's return to work.

6. The Appraisal Process

6.1 Prior to the appraisal discussion:

1. Agree a time and date of appraisal and make it a priority
2. Ensure that both the appraisee and appraiser have the relevant documentation as detailed below:
 - Job description/person specification;
 - Objectives for the previous 12 months;
 - Proposed objectives for discussion for the next 12 months;
 - Record of statutory/mandatory training;
 - Demonstrated evidence of CCGs' desired behaviours/values;
 - Training and Development plan complete and to be agreed;
 - Undertake a 360-degree appraisal, (usually band 8c and above or where requested and seen applicable);
 - Continuing Professional Development (CPD); and
 - Revalidation confirmation, clinical staff (where applicable).

6.2 The appraisal conversation should involve:

- Discussing performance against objectives for the previous year;
- Discussing how the CCGs' values and behaviours have been met during the previous year;
- Agreeing objectives for the 12 months ahead. Ensuring that the appraisee understands their job and how their role contributes to the work of the team and the CCG;

- Discussing training and development plans from the previous year and agreeing a new training and development plan for the next 12 months;
 - Completing the appraisal documentation;
 - Ensuring that the appraisal process is carried out in a confidential manner;
 - Ensuring the objectives which are set focus on developing the individual and not just following their standard job description; and
 - Ensuring the individual is clear as to whether they will progress to the next pay point and the reasons for this.
- 6.3 Following the appraisal discussion:
- Appraisee to complete any final comments section of the appraisal document;
 - Appraiser to provide a signed copy of the completed appraisal document to HR, including confirmation regarding the incremental pay point status where necessary;
 - Document to be held on the employee's personnel file; and
 - Workforce system to be updated
- 6.4 The objectives and PDP should be reviewed regularly within 1:1 conversations and with a review point no less than six-monthly with an appraisal being completed every 12 months.
- 6.5 Should an employee change roles within 12 months of their last appraisal, the previous line manager is responsible for ensuring the new manager is fully briefed on the current objectives and appraisal status for the individual to ensure a smooth transition for the employee.
- 6.6 If there is a dispute between the appraiser and appraisee, the appraiser's manager will objectively review all the documentation to validate its quality and accuracy and to resolve the dispute in the first instance. If the dispute remains unresolved, the appraisee should consult with HR and may take their concerns forward in line with the Grievance Procedure.

7. Pay Step Progression and Appraisals

- 7.1 In accordance with the NHS 'Agenda for Change' Terms and Conditions handbook, incremental pay step progression for all pay points, within each pay band, will be conditional upon employees demonstrating that they have the requisite knowledge and skills/ competencies for their role and that they have demonstrated the required level of performance and delivery during the appraisal review period.
- 7.2 Provided the appropriate level of performance and delivery has been achieved during the appraisal review period, individuals will progress to the next pay

point on an annual basis. For pay bands 1 to 7, 8A and 8B this will apply to all the pay points in each pay Band. For pay bands 8C, 8D and 9 this will apply for the first 4 pay points in the band.

8. Annually Earned Pay Steps - pay bands 8C, 8D and 9

8.1 Pay progression beyond the first four pay points in pay bands 8C, 8D and 9 will be dependent upon the achievement of locally determined levels of performance as set out in appraisal objectives. Staff will progress through the last two pay points in these pay bands only when they are assessed as having met the required level of performance.

9. Very Senior Managers Pay

9.1 The pay and conditions for Directors, Chief Executives and Senior Manager contracts will be determined by the Remuneration Committees.

10. Withholding Pay Steps and Appraisal Exemption

10.1 Where an appraisal has not been undertaken in the calendar month prior to the increment date, the pay step will automatically be withheld.

10.2 If there are exceptional circumstances that have prevented the appraisal from being undertaken, it is possible to request consideration for exemption to allow the pay step to be processed. This request must be made one month prior to the increment date with the manager providing written confirmation to HR to state whether the Pay Step should be awarded. This would usually be in circumstances of late or missed appraisals where the evidence of positive performance is demonstrable.

10.3 Should an employee feel they are at a detriment due to not having a completed appraisal within the appropriate timescales through no fault of their own, employees should speak to HR prior to the pay step being withheld.

10.4 Staff will progress to the next pay step point on their pay step date where the following can be demonstrated:

- The appraisal process has been completed within the last 12 months and outcomes are in line with the organisation's standards.
- There is no formal capability process in place.
- There is no formal disciplinary sanction live on the staff member's record.
- Statutory and/or mandatory training has been completed.
- For line managers only – appraisals have been completed for all their staff as required.

11. Appraisal training and resources

11.1 Appraisal training for appraisers is provided by the CCGs and should be attended by the following members of staff:

- Managers who are new to the appraisal process; and
- Staff with the responsibility for appraising others.

11.2 Employees across CCGs should also review the CCGs annual training schedule and review courses in line with the Learning and Development Policy.

12. Monitoring Compliance

12.1 Completion of appraisals will be monitored in the following ways:

- Completion of appraisals will be recorded and performance reports will be run on a quarterly basis to provide evidence to the Joint Executive Team, Senior Managers and HR that appraisals are being carried out.
- There is an aspirational target of 95% taking into consideration those not able to be conducted due to sickness/ leave however compliance must not fall below the minimum compliance rate of 85%.
- The annual Staff Survey provides data which indicates the uptake and quality of appraisal for those staff who choose to participate in the survey.
- In addition to the number of appraisals completed, it is important that the quality of application of the process is monitored. The HR Team will take ownership for this process and will work with managers to develop a fair and robust process designed to continuously improve the process and the appraisal experience for all concerned.
- HR will monitor the standards to ensure consistent appraisals and the evaluation of SMART objectives. Concerns will be raised with the line manager for further review.

12.2 Each Executive Director is responsible for monitoring that the appraisals are occurring and that systematic follow up is in place to ensure appraisals are completed for all staff groups.

13. Associated Documentation

13.1 CCGs' Policies:

- Capability Policy
- Disciplinary Policy
- Learning and Development Policy
- Grievance Policy
- Training Schedule

- Values and Behaviours
- Probation Policy

13.2 HNS Documentation:

- NHS Agenda For Change Handbook

14. Appendix 1 – Procedural Document Checklist for Approval

Title of document being reviewed:		Yes/No/ Unsure	Comments/ Details
A	Is there a sponsoring director?	Yes	
1.	Title		
	Is the title clear and unambiguous?	Yes	
	Is it clear whether the document is a guideline, policy, protocol or standard?	Yes	
2.	Rationale		
	Are reasons for development of the document stated?	Yes	
3.	Development Process		
	Do you feel a reasonable attempt has been made to ensure relevant expertise has been used?	Yes	
	Is there evidence of consultation with stakeholders and users?	Yes	
4.	Content		
	Is the objective of the document clear?	Yes	
	Is the target group clear and unambiguous?	Yes	
	Are the intended outcomes described?	Yes	
5.	Evidence Base		
	Is the type of evidence to support the document identified explicitly?	Yes	
	Are key references cited?	Yes	
6.	Approval		
	Does the document identify which committee/group will approve it?	Yes	
7.	Dissemination and Implementation		
	Is there an outline/plan to identify how the document will be disseminated and implemented amongst the target group? Please provide details.	Yes	
8.	Process for Monitoring Compliance		
	Have specific, measurable, achievable, realistic and time-specific standards been detailed to <u>monitor compliance</u> with the document? Complete Compliance & Audit Table.	Yes	
9.	Review Date		
	Is the review date identified?	Yes	

Title of document being reviewed:		Yes/No/ Unsure	Comments/ Details
10.	Overall Responsibility for the Document		
	Is it clear who will be responsible for implementing and reviewing the documentation i.e. who is the document owner?	Yes	
Director Approval			
On approval, please sign and date it and forward to the chair of the committee/group where it will receive final approval.			
Name		Date	
Signature			
Committee Approval			
On approval, Chair to sign and date.			
Name		Date	
Signature			

15. Appendix 2 – Compliance and Audit Table

Criteria	Measurable	Frequency	Reporting to	Action Plan/ Monitoring
Compliance rates to be reported	100%	Quarterly	Remuneration Committee	HR Dashboard