

Annual Appraisal and Pay Progression Policy

W12

Part of Policy Cluster for Performance and Development Policies

Human Resources Policy Cluster Ref. B

Within the Cluster additionally refer to:

Development and Training Support (HR59)

Disciplinary Policy (W7)

Employee Performance Management Policy (W10)

Acting Up (W13)

Sponsorship of Healthcare Workers for Professional Registration Training

Secondments Policy (W15)

Within relevant Clusters additionally refer to Equality and Diversity ()

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Version Control Sheet

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Policy Version History

Workforce Policy W12 part of Policy Cluster. B

Version History

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Relevant Policy Version History

Appraisals Policy– previously HR10

Version	Date	Author	Status	Comment
		Mary Beales	Final	Agreed by Trust Board

Version history

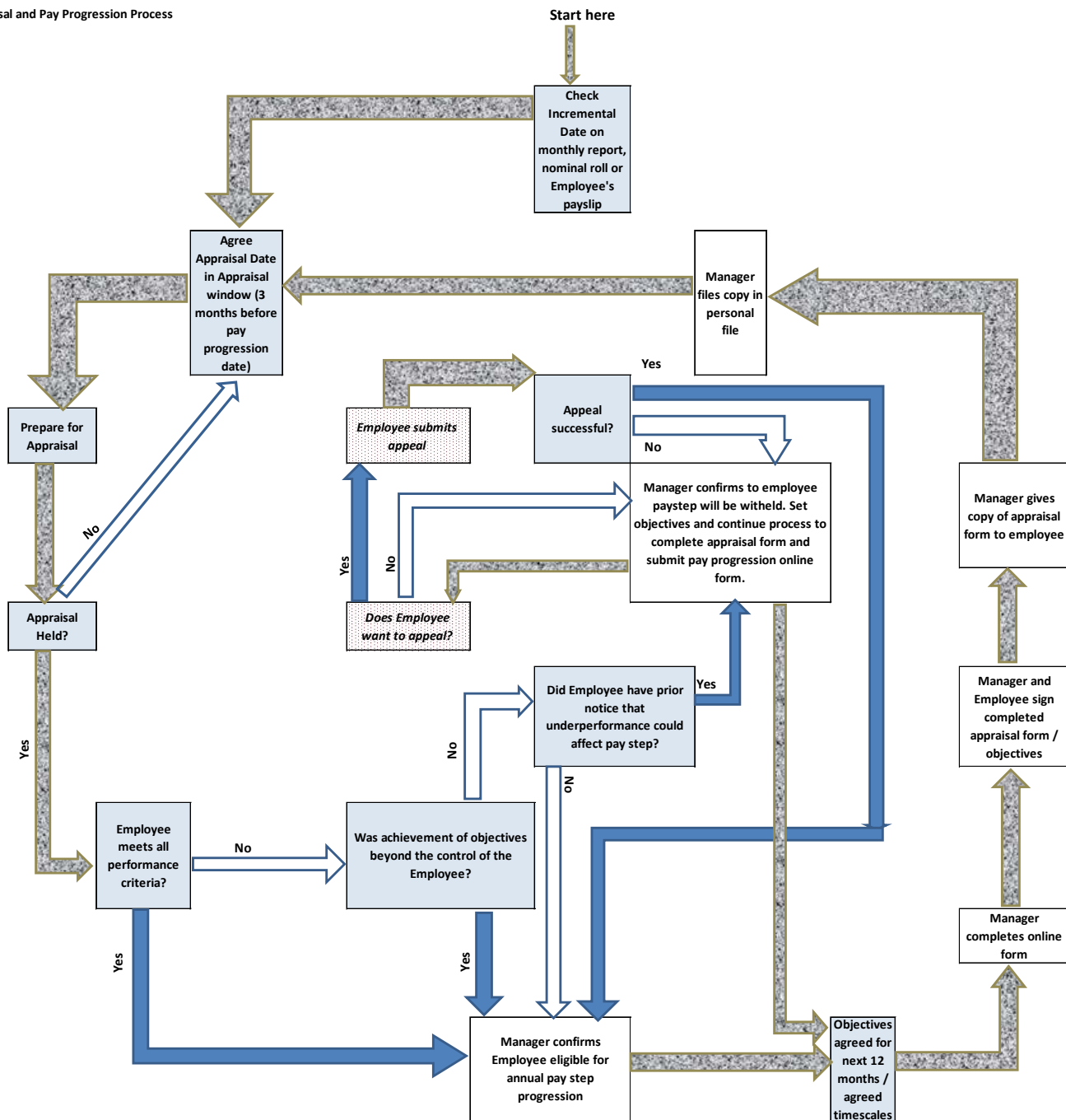
Version	Date	Author	Status	Comment
V1	Jan 2016	Head of Education	Draft	New Policy to incorporate new policy format, incorporation of Trust Values, Pay Progression. This policy also amalgamates and updates policies HR10 and HR44 (Knowledge and Skills Framework) which are now obsolete
1.4	Nov 20	Mary Beales	Draft	Revised to incorporate new nationally agreed Agenda for Change Pay Progression arrangements.

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1.0 Policy On a Page

Appraisal and Pay Progression Process



2.0 Statement, Overview and Responsibilities

- 2.1 This Policy sets out the requirement for all employees in the Trust to have an Annual Appraisal and has been developed from Agenda for Change terms and conditions of employment including Annex W. It does not cover appraisal arrangements Medical and Dental staff or Very Senior Managers.
- 2.2 Managers and employees are jointly responsible for ensuring that every employee has a timely Annual Appraisal which supports effective work performance. Managers must schedule and carry out appraisals in line with the policy and both employees and managers must prepare for a mutually meaningful discussion which is properly recorded.
- 2.3 Failure to adhere to this policy by the employee or manager may constitute misconduct and result in formal disciplinary proceedings taken in line with the Trust Disciplinary Policy, which could result in dismissal.
- 2.4 There are separate arrangements for the appraisal and pay progression of Bank staff that do not fall under Agenda for Change terms and conditions of employment. These are notified by the Temporary Staffing Department to all Bank staff on commencement as part of their terms of engagement. Substantive staff, however, that also hold a Bank post for the same role (in their substantive or another Department) will have their pay progression for both posts established by the Agenda for Change arrangements.

3.0 Annual Objectives, including use of competency frameworks

- 3.1 In accordance with the Trust Performance Management Framework, every employee under Agenda for Change will have a set of annual written work objectives, or Competency Framework that is linked to Trust Values. This will be used as part of the criteria for performance assessment in the Annual Appraisal.
- 3.2 Departments that wish to use a Competency Framework that is linked to Trust Values instead of annual written objectives may do so but must ensure that this is discussed during the annual appraisal meeting.

4.0 Failure to Agree Objectives or Competency Framework

- 4.1 Where an employee and the line manager disagree about the content or level of a competency framework or a set of annual objectives, the following procedure will apply:
 - a. Written advice will be sought by the line manager from HR for annual work objectives, or from the Deputy Director of Nursing (for Nursing competencies) or the Head of Education (for other competencies) and this is discussed with the post holder
 - b. If the employee remains dissatisfied with the content and/or level of a Competency Framework, or a set of Annual Objectives, they have the right to refer the matter for consideration by the next level of management via Grievances Policy at the informal stage in the first instance. This must be within 3 months of the written objectives being drafted and shared with the employee. In the event of a Competency Framework, this must be within 3 months of the employee being notified of the competency requirements.

5.0 Annual Appraisal

- 5.1 The following should be held and recorded on the appraisal form:
- A discussion on how the employee has met their objectives/competency framework.
 - A discussion on how the employee has demonstrated the Trust Values in their work.
 - An overall rating of the employee's performance in accordance with the Guidance Notes and the impact on the employee's pay progression
 - Expected outcomes from education, learning and development activities that were identified and agreed. It is also essential that attendance at statutory/mandatory training is discussed and recorded on the Personal Development Plan.
- 5.2 The Electronic Record of Appraisal and Pay Progression Outcomes notification form must be completed and submitted every year, regardless of whether the employee is eligible for a pay progression award or not. This is because the new NHS pay system under Agenda for change requires an annual notification of continuing eligibility for future pay awards to be made.
- 5.3 Pay progressions are awarded if the employee meets the required criteria.
- 5.4 Where pay progression is withheld, it is the responsibility of the line manager to ensure this is done in advance of the payroll deadline for the relevant month, (using the Electronic Record of Appraisal and Pay Progression Outcomes notification form). The line manager must also formally notify the employee in writing of:
- the withheld pay progression or
 - the reason for this
 - any relevant performance management measures, and
 - the date the employee will next be eligible for consideration for pay progression.

6.0 Record Keeping and Monitoring

- 6.1 The Employee-Led Appraisal Record (see up to date copy on the Intranet) must be completed and signed by the employee and the line manager. Copies are retained:
- one on the employee's personal file
 - one kept by the employee, and
- 6.2 In addition, a copy of the Electronic Record of Appraisal and Pay Progression Outcomes notification form must be completed and retained on the employee's personal file – see 5.2 above.
- 6.4 All copies will be held in accordance with the provisions of the General Data Protection Regulation.
- 6.5 The Corporate Education Team publishes monthly reports showing the appraisal compliance status of every employee, department and Care Group. This is monitored and challenged by each succeeding level of management until compliance is achieved.

7.0 Pay Progression

Key Principles

- 7.1 The Trust expects that employees will demonstrate appropriate levels of performance and delivery on an annual basis.

- 7.2 Pay progression is not an automatic right and there are certain circumstances where pay progression may be withheld (where any of the criteria in section 8.1 are not met), or delayed (see section 8.2 below).
- 7.3 In the year after an employee has reached the top of bands 8c, 8d or 9, 5 per cent or 10 per cent of basic salary will become re-earnable. Where the criteria in paragraph 8.1 of the Policy are met, salary is retained at the top of the band. If the criteria are not met salary may be reduced by 5 per cent or 10 per cent from the pay progression date, subject to the work objectives set being within the employee's control. The employee will be able to restore their salary to the top of the band at the end of the following year by meeting the required standards.
- 7.4 With the exception of 7.3 above, employees already on the top of their band will not be affected by Pay Progression however they will be expected to undertake an annual Appraisal and meet the criteria outlined in 8.1 below and this must be recorded on Electronic Record of Appraisal and Pay Progression Outcomes notification form.
- 7.5 Where a manager believes there are grounds to withhold or delay an employee's pay progression, they must seek advice from the HR Team.
- 7.6 Where an employee's pay progression is withheld, they will have the right to request a review of the decision.
- 7.7 The interval between pay progressions will vary according to the Agenda for Change band of the employee, even though pay progression is an annual process.

8.0 Pay Progression Performance Criteria

- 8.1 Agenda for Change does not fully define appropriate levels of performance and delivery which enable pay progression. The Trust has defined this in this Policy as follows:
- a. Completion of a recorded annual appraisal within 12 months of the previous appraisal
 - b. Compliance with Statutory Safety Update training requirements (unless the employee has been prevented from attending by the line manager or insufficient places were available as confirmed by the Head of Education)
 - c. Not being subject to a live formal disciplinary sanction, see section 8.5 below
 - d. Achievement of work objectives or relevant Competency Framework identified prior to appraisal
 - e. Demonstration of Trust Values in day to day work
- 8.2 The payment of a pay progression may be delayed when:
- the employee is being managed under a live formal Performance Improvement Plan (PIP) under the Employee Performance Management Policy (W10) at the time of the appraisal meeting, and
 - there is a record of prior written notification to the employee that this will affect their ability to earn a pay progression
- 8.3 Where a pay progression is delayed it will become payable on successful conclusion of the formal Performance Improvement Plan (PIP) so long as all the other criteria at 8.1 above are also met. It will not be backdated to the employee's pay progression date and this will not change. The pay progression will become payable from the date the manager and employee sign off the formal PIP and the manager will need to notify Payroll Services accordingly.

- 8.4 A pay progression will not be unreasonably withheld when the employee has been unable to meet the performance requirements specified because of something beyond their control, such as the failure of a line manager to meet with the employee to hold their Annual Appraisal or failure to release the employee for Statutory/ Mandatory training, or cancellation or postponement of internal or external courses through no fault of the employee.
- 8.5 If an employee receives a formal disciplinary warning under the Trust Disciplinary Policy, the panel will make an employee assessment on a case by case basis. The assessment will review whether and/or how that misconduct issue has affected the achievement of performance objectives, their ability to perform their role and demonstrate the Trust Values. Where the panel believes there has been no impact, pay progression will be awarded and the panel will formally advise the employee of this at the time of the hearing. It will be for the panel to determine for how long an employee will not be eligible for consideration of a pay progression, (if a formal warning is longer than 12 months).
- 8.6 Employees that have failed to meet the performance criteria for reasons of long-term sickness or paternity/maternity absence will not have their pay progression unreasonably withheld, so long as they are not subject to any performance sanctions under Trust Policies.
- 8.7 In accordance with the Trust Policy on Verification of Professional Registration, it is the responsibility of every employee who is required to be registered with a regulatory body to ensure that they maintain their registration. Failure to maintain registration may result in action being taken under Trust Disciplinary Policy. Failure to maintain registration within an appraisal period, which is a requirement to practice a profession or which is a confirmed requirement for the post (as detailed on the person specification), is likely to result in the withholding of a pay progression for that period, in addition to any other appropriate proceedings or consequences.

9.0 Requesting a Review of a Pay Progression Decision

- 9.1 If an employee has had a pay progression award withheld or delayed and they feel this is not reasonable and/or is malicious and not in accordance with the stated criteria, the employee has the right to refer the matter for consideration by the next level of management via the Grievance Policy at the informal stage in the first instance.

10.0 Training

- 10.1 There is no mandatory training associated with this policy.
- 10.2 Training is available for appraisers to ensure the correct application and fair use of the policy and procedures and to assist in making sure that discussions are skilful, constructive and meaningful. Appraisers are expected to have attended a training session prior to carrying out appraisals under this policy and training attendance is recorded.
- 10.3 Supporting materials are available in written and audio-visual formats.

11. Review Process

- 11.1 This policy will be reviewed if there are any changes to national terms and conditions, or in 3 years' time.
- 11.2 In order that this document remains current, any of the appendices to the policy can be amended and approved during the lifetime of the document without the policy having to return to the ratifying committee.

12. Equality Impact Assessment (EQIA)

12.1 This policy applies to all employees equally and does not discriminate positively or negatively between the protective characteristics.

13. Process for Monitoring Compliance

13.1 The monitoring of this policy includes: monthly reporting on appraisal rates and an annual audit of the points set out in the table below. Where non-compliance is identified, an action plan will be drawn up and monitored at the Workforce Committee. Where remedial action can be taken immediately, the action must be recorded appropriately.

Aspect of compliance or effectiveness being monitored	Monitoring method	Responsibility for monitoring	Frequency of monitoring	Group or Committee that will review the findings and monitor completion of any resulting action plan
Annual appraisal	Monthly reporting system	Corporate Education to produce report, management to ensure compliance	Monthly	Appraisal stats are reported monthly to the Trust Board.