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|----|--|---|------------|---------------------------|------------|
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Appraisal Policy and Procedure

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1. Introduction

The CCG is committed to organisational improvement through organisational, team and personal development. This means that all employees need to continually develop their skills and expertise so that they are able to carry out their role efficiently and effectively and fully contribute to the success of the CCG.

This Appraisal Policy and Procedure provides a framework to maximise the effectiveness and potential of each employee so that the CCG successfully achieves its objectives. The framework also helps to establish objectives for all staff ensuring links to team/service objectives and ensure the right support, tools and mechanisms are in place to achieve the objectives.

2. Principles

This policy and procedure applies to all employees of the CCG and must be applied fairly and consistently in accordance with the CCG's commitment to equality and diversity.

The CCG recognises the contribution that values make towards overall performance and these are included in the measurement of individual performance. Each individual employee should have appraisal meetings scheduled to review and complete the last year's objectives and development actions and start setting objectives for the following financial year.

To be effective, it is essential that the appraisal process is interactive and jointly owned by each employee and their line manager. Line managers and employees will hold 1:1s on a regular basis to discuss performance and development. The appraisal process is ongoing and therefore less effective when addressed infrequently.

The appraisal process supports the identification of effective and meaningful learning and development needs to enable employees to develop their skills and fulfil more of their potential to deliver more effectively in their current and future roles. The process will result in a robust Personal Development Plan (PDP) which can be monitored throughout the year.

Appraisals provide a structure for the ongoing assessment of performance against agreed tasks and development based objectives.

The CCG values are a signal from the organisation to the employee of the areas and levels of performance that the organisation expects. They provide the employee with a map of the behaviours as well as the skills that will be valued, recognised, rewarded, and ultimately, driving up the performance in our organisation.

3. Purpose & Aim

This policy and procedure is designed to ensure that all staff:

- Have the opportunity to formally discuss their performance and development needs with their manager
- Understand their role and responsibilities, what is expected of them and how they contribute to the performance of the CCG
- To look back and review what has been accomplished in line with the objectives that were set during the previous appraisal cycle
- To look forward to what needs to be accomplished during the coming year and agree objectives accordingly

- Discuss and identify support, learning & development activities that may help meet objectives and record this on the Performance Development Plan (PDP)
- Discuss career aspirations and plans

4. Roles & Responsibilities

Directors

Directors are responsible for:

- Commitment to distribute Directorate priorities/objectives prior to the commencement of the appraisal cycle
- Ensuring all staff in their directorate participate in the annual appraisal cycle
- Ensuring line managers/appraisers attend the appraisal training

Line Managers

Line managers are responsible for:

- Ensuring this policy is applied to all staff accountable to them for annual appraisals. It is the responsibility of the manager to ensure that they complete the CCG appraisal process, including completing the relevant documentation onto the workforce system.
- Familiarise themselves with the Managers Guidance Document through the Workforce System before conducting an appraisal review
- Conducting an objective review of the individual's work based on feedback, examples and previous informal discussions.
- Recording employee's objectives, appraisals, development discussions and one-to-ones
- Ensuring that when performance falls below the accepted levels it is managed effectively in line with the CCG Capability Policy and that appropriate support is provided to address the concerns.
- Conducting appraisals/development reviews in line with the appraisal cycle and ensuring that they have access to regular reports giving the names of their staff and their incremental date.
- Ensuring they have the appropriate knowledge and skills and have attended suitable training to correctly apply this policy and procedure including equality training, with proven records of training attended in this regard.

Employees

Employees are responsible for:

- Actively participating in the annual appraisal process and jointly agree and work towards their objectives.
- Making their line manager aware of any organisational constraints that are preventing them from achieving their objectives.
- Informing their manager's manager or the HR Team should the annual review meetings not be taking place, or raising any unresolved issues from the review
- Completing learning and development activities to meet the agreed objectives with the support of the line manager
- Ensuring behaviours and conduct are in line with the CCG's values.
- Sign off appraisal process documentation through the workforce system

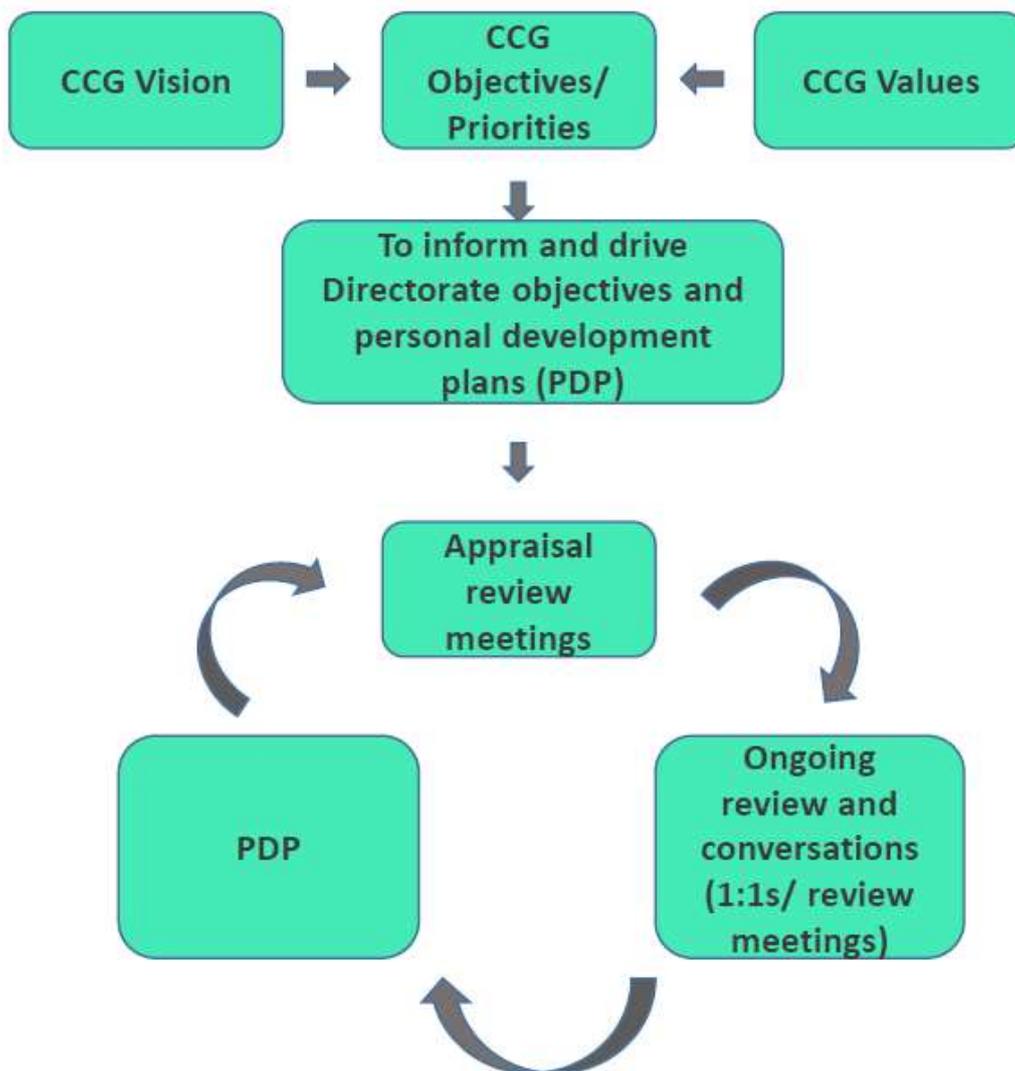
HR Team

The HR/ OD team are responsible for:

- Monitoring appraisal completion across the CCG and liaising with the relevant managers and Directors when appraisals are not completed
- Providing reports to the Executive Team on appraisal compliance across the CCG
- Undertaking a Training Needs Analysis to capture generic learning needs across the CCG
- Providing support and advice to managers and staff on the implementation of the policy, identification and meeting of needs and, where possible, information about courses and training resources
- Providing training to all staff about this policy.

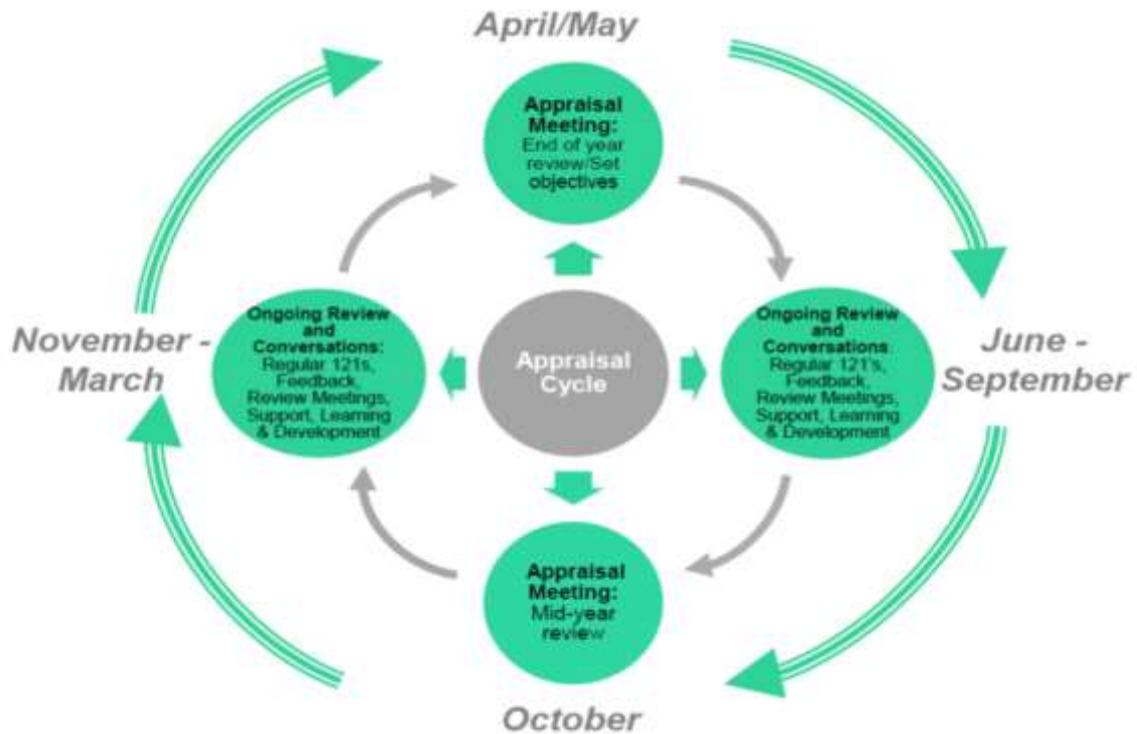
5. The Appraisal Model

The appraisal process should be undertaken in the context of the CCG vision, business objectives and values which have been mapped onto the following model:



The Appraisal Cycle

The appraisal cycle is defined as being a 12 month rolling period of time. From April each year, the CCG's business objectives for the coming financial year will be agreed and thereafter objectives will need to be reviewed for all staff to ensure alignment to CCG, Directorate and individuals' goals.



6. The Appraisal Process – A guide to each stage of the appraisal cycle

This section provides guidance on each of the areas outlined in the above appraisal cycle. Whilst this guidance is primarily aimed at managers, it is also useful for staff to know what to expect from the process.

The Appraisal Meeting – April/May

The purpose of this meeting is for the manager and member of staff to discuss the following areas:

- To look back and review what has been accomplished in line with the objectives that were set during the previous appraisal cycle
- To look forward to what needs to be accomplished during the coming year and agree objectives accordingly
- Discuss and identify support, learning & development activities that may help the member of staff meet their objectives and record this on the Performance Development Plan (PDP)
- Discuss a member of staffs' career aspirations and plans
- Set a review date for the mid appraisal review through the Workforce System

End of year review

This part of the meeting should focus on reviewing the staff member's full year performance against the objectives that were set at the start of the year. The personal development plan should also be discussed and reviewed to identify the learning needs that have been met and the impact the learning and development has had on the appraisee's performance. The Appraisal Review Form on the workforce system should be used to record this meeting.

Setting Objectives

This part of the meeting will focus on the objectives and development plans for the year ahead. The Appraisal Form – Setting Objectives should be used to record this part of the meeting through the workforce system.

How to set objectives

Objectives should reflect the CCG objectives, values and Directorate objectives as outlined in the Appraisal Model on page 6. Objective setting involves a two-way discussion between the manager and the employee. It is reasonable to set a minimum of 3 and maximum of 5 objectives which must be specific to the role, focusing on the key deliverables, as well as the competencies required, relevant to the employees pay banding. Agreed objectives must be Specific, Measurable, Achievable, Relevant, Time bound (SMART) to enable managers and employees to monitor progress against the objectives. For example:

| SMART | Not SMART |
|---|---|
| Prepare an options paper as to where services should be located with recommendations within one month | Consider where services should be located. |
| Produce minutes of meetings within 3 days of the meeting taking place. | Produce minutes of meetings as soon as possible after meetings. |
| Return calls within one working day. | Return calls as soon as possible. |

Objectives should wherever possible be agreed by the manager and employee. However, if an employee disagrees with an objective, a manager can set the objective (s) if they consider it to be reasonable to do so because it is in line with the employees' job description.

Personal Development Plan

All employees are required to have a personal development plan setting out their learning and development needs, how the needs will be measured and what will be achieved to support continuous improvement, development and career planning. The CCG encourages the learning and development of all employees in the knowledge and skills required to competently perform in their role, particularly when they take up a new post. A core part of the process is discussing and agreeing the supportive mechanisms that will help the achievement of the objectives throughout the year. Performance development plans encompass learning needs that have been identified to help members of staff meet their objectives. The performance development plan should be reviewed regularly.

The completion of a personal development plan will enable managers and staff to discuss and agree the most effective way to meet the learning needs. Learning is most effective in causing an

improvement in performance and personal change when it is conducted according to the following ratio:

- 70% of development is on the job
- 20% of development comes through learning from others
- 10% of development comes from formal learning opportunities

The workforce system has a template PDP which managers and staff can complete at the annual appraisal review and monitor progress through 121s and the mid- year review.

The HR/OD team will undertake a training needs analysis to identify generic/common learning needs across the organisation in order to put in place a CCG wide training programme that will address the needs.

Appraisal Meeting – Mid-year Review

The mid-review meeting should take place half way through the appraisal cycle, ideally in October. The purpose of the mid-review meeting is to:

- Discuss and record progress against the objectives at the start of the year.
- Review the personal development plan to identify any further support, learning & development activities that may help the member of staff meet their objectives
- Identify and record the successes over the previous six months
- To look forward to what needs to be accomplished during the next six months

During the review, it may also be an opportunity to reflect whether the objectives agreed at the start of the year remain appropriate for the team member as other organisational needs may have taken priority. This may have been highlighted in a recent one to one, but can now be formalised at the interim review. At this stage the objective may be made redundant or deprioritised due to more pressing matters and another one created in its place. If objectives have not been met, they should be recorded detailing any potential barriers on the Appraisal Form.

The Appraisal Review Form should be used to record this meeting.

Recording Appraisals

The mid/end appraisal reviews should be recorded on the Appraisal Review Form. The appraisal meeting to set objectives and performance development plans at the start of the years should be recorded on the Appraisal Form – Setting Objectives. Both forms should be signed by both the manager undertaking the appraisal and the member of staff. Completed and signed appraisal forms should be held by both the manager, member of staff and a copy sent to the HR Team for recording and monitoring purposes.

Ongoing Review and Conversations

Communicating with staff

Communicating effectively and regularly with staff is an important part of a line manager's role and helps to enhance employee engagement. A lack of communication between managers and staff can cause uncertainty amongst staff on organisational issues which can go onto to impact the ability of staff to work effectively. Effective communication can lead to:

- Better management decisions due to greater opportunity for feedback
- Better performance and higher productivity

- Lower levels of absence as staff feel more engaged
- Greater staff retention because staff feel more valued

| The Dos of Effective Communication | The Don'ts of Effective Communication |
|--|--|
| <ul style="list-style-type: none"> • Be Prepared and plan well before communicating | <ul style="list-style-type: none"> • Provide irrelevant and unnecessary information |
| <ul style="list-style-type: none"> • Be Concise | <ul style="list-style-type: none"> • Be judgemental when listening to staff opinions |
| <ul style="list-style-type: none"> • Ensure the information is relevant to the audience | <ul style="list-style-type: none"> • Interrupt staff when they are giving information or feedback |
| <ul style="list-style-type: none"> • Choose the right method of communication | |
| <ul style="list-style-type: none"> • Communicate regularly | |

121 meetings

Every manager should schedule in regular 1:1's with members of their staff. The regularity of the 1:1 meetings can be scheduled based on the needs of the member of staff but as a guide they should take place on a weekly/fortnightly basis. Managers are reminded that during the first few months, new members of staff tend to require more support and so more regular 1:1's during this initial period until the member of staff is more settled into the role.

| 121's should: | |
|--|--|
| <ul style="list-style-type: none"> • Be 121's | <ul style="list-style-type: none"> • Be scheduled in the diary regularly |
| <ul style="list-style-type: none"> • Have an agenda | <ul style="list-style-type: none"> • Not have any interruptions |
| <ul style="list-style-type: none"> • Focus on the member of staff | <ul style="list-style-type: none"> • Be noted with the key points and actions |
| <ul style="list-style-type: none"> • Be used to discuss any support the member of staff may require | <ul style="list-style-type: none"> • Provide an opportunity to discuss of key projects/tasks and objectives |
| <ul style="list-style-type: none"> • Provide an opportunity to give feedback | <ul style="list-style-type: none"> • Allow discussion on follow up from previous 121 |

There is a 121 pro forma on the workforce system which managers can use to document their 121s and record directly onto the system. Staff then have the opportunity to view these notes as when required.

Giving & Receiving Feedback

Giving feedback to staff is an important part of a line manager's role. It is important to give feedback on team and individual successes. The absence of feedback creates uncertainty amongst staff about the CCG's expectations of them which can result in poor engagement from them. Effective feedback can lead to:

- A greater personal connection between staff and the CCG
- Greater engagement from staff
- Reinforce good/best practice
- Create an environment of learning and development and develop existing strengths
- Weaknesses in behaviour and performance being addressed

- Better workplace relationships
- A greater culture of conversation, enabling staff to approach managers to voice concerns and give ideas on improvements to processes

Constructive Feedback

When a staff member’s behaviour or performance is unsatisfactory, an informal discussion with him or her to provide feedback may be appropriate. In this situation, the line manager should:

- Arrange a meeting with the member of staff promptly
- Give the member of staff constructive feedback, using specific examples
- Focus on the issue, not the person
- Ask for the member of staffs’ view and listen to what they have to say
- Explain the consequences of the behaviour/performance
- Discuss and agree what the member of staff can do differently next time (if applicable)
- Follow up any actions and review the situation, if applicable

It is part of a line manager’s role to manage the work of staff on a day to day basis and to draw employee’s attention to any shortcomings and give constructive feedback as outlined above. However, in some circumstances it may be more appropriate to take informal/formal action in line with the CCG’s Disciplinary or Capability Procedure. Advice and guidance can be sought from the HR Team.

No Surprises

If managers ensure good, regular dialogue with the members of their team all year, there should be no surprises in the appraisal meeting. The discussion and rating of past performance should be straightforward, to enable managers to focus on planning for the future year. The review is not a substitute for good management throughout the year.

Preparation for Appraisal Meetings

Both managers and members of staff should familiarise themselves with the appraisal process and requirements as set out in this policy and procedure as well as guidance on the workforce system. A line manager may ask the member of staff to provide a summary of how they have progressed against the objectives prior to the review meeting. A few tips on preparing for the appraisal review meetings in line with the appraisal forms are highlighted below:

| Employee Preparation | Line Manager Preparation |
|---|--|
| Have I achieved my objectives this year? What have I done particularly well? What examples of my work demonstrate this? | Has the appraisee achieved their annual objectives? What has the appraisee done particularly well? What examples of their work demonstrate this? |
| What have I done that has been less successful or enjoyable this year and why? What examples of my work demonstrate this? | What has the appraisee done that has been less successful this year and why? What examples of their work demonstrate this? |
| What are likely to be my main objectives over the next year? | What should be the main objectives for the appraisee over the next year? |
| What are the main skill and knowledge development needs that I have? How could I fill my development gaps/learning needs? | What significant development needs does the appraisee have? How could their development gaps/learning needs best be filled? |

The workforce system can be used by staff to review their progress against their objectives and the end of their appraisal cycle and new objectives can be added directly onto the workforce system. Training will be made available at regular intervals during the appraisal cycle. Any questions should be forwarded to the HR Team. The HR Team will provide clarification and further information as required.

7. New members of staff

The probation and appraisal processes contain many of the same elements. To avoid duplication, the probation documents should take precedence over the appraisal form until the member of staff has been confirmed in post. Managers and team members should discuss how and when reviews will be held and how elements of the appraisal process will be incorporated into the probation process e.g. setting objectives. Please read the probation policy for more information.

8. Staff on Secondment

Employees who are on short term (less than six months) secondment or acting into another post (i.e. is a temporary role not their substantive role) should continue to be assessed against their role and objectives of their substantive role. Alternatively, objectives can be modified to align with the seconded role, if the employee does not achieve all the original objectives within in the given time scales.

Employees who are on long term (more than six months) secondment or acting into another post (i.e. a role not their substantive role) should be assessed against the objectives for the seconded/acting up role.

Appraisal discussions should take place to ensure performance continues to be of a satisfactory standard and that the employee is continuing to meet any performance objectives in the secondment role and develop as appropriate.

9. Joint Commissioning Staff

Members of staff in the joint commissioning team who are employed by the CCG should complete the appraisal forms referred to throughout this policy.

10. Changes in Reporting Lines

When an individual changes manager during a review period there will be a handover process in which the previous manager will rate the individual's performance to date, and their new manager will complete this by setting expectations for the remainder of the review period. This will ensure continuity in the team member's personal development and that outstanding responsibilities in the original role are transferred to others so that business & individual objectives continue to be achieved.

11. Staff on Long Term Absence

Where staff are absent for a reason such as maternity, paternity or adoption leave and are unable to attend the appraisal meetings during the cycle the timing of the meeting can be adjusted, with the intention of holding it as close to the cycle as is possible in the circumstances.

12. Appeals/Disagreements

If an individual and their manager cannot agree on the objectives being set, the objective setting process, outcome of the mid-term or full-year development reviews, the manager's manager will need to become formally involved to try to resolve the disagreement. The reviewer's manager should look at information from both parties and come to an objective, non-discriminatory decision. If this process cannot address the problem, then the individual can pursue their case through the CCG's Grievance Policy and Procedure

13. Equality Statement

In applying this policy, the CCG will have due regard for the need to eliminate unlawful discrimination, promote equality of opportunity, and provide for good relations between people of diverse groups, in particular on the grounds of the following characteristics protected by the Equality Act (2010); age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, and sexual orientation, in addition to offending background, trade union membership, or any other personal characteristic.

The Equality Impact Assessment for this policy has been carried out, and is available on request from HR.

14. Data Protection / GDPR

In applying this policy, the Organisation will have due regard for the Data Protection Act 2018 and the General Data Protection Regulation (GDPR). Personal Confidential Data of data subjects will be processed fairly and lawfully and in accordance with the six data protection principles. Data Subject's Rights and freedoms will be respected and measures will be in place to enable employees (data subjects) to exercise those rights. Appropriate technical and organisational measures will be designed and implemented to ensure an appropriate level of security is applied to the processing of personal confidential data. Employees will have access to the CCG's Data Protection Officer for advice in relation to the processing of their personal confidential data and data protection issues.

15. Monitoring & Review

The guidance will be reviewed every three years by Human Resources in conjunction with operational managers and Trade Union representatives. Where review is necessary due to legislative change this will happen immediately.

Implementation and operation of this policy will be monitored on an annual basis by the HR Team. It will also be assessed on an ongoing basis as part of the monthly review of performance of NCL CCGs and the annual governance review of NCL CCGs.

16. Acknowledgments and References

- NHS Employers Appraisal Guidance
- ACAS – www.acas.org.uk

17. Breach of Policy

Misuse of this guidance will be managed under the Disciplinary Policy.