

# Performance Management Policy

## Introduction

This policy outlines the approach for addressing situations where an employee is unable to carry out their role effectively. Underperformance may occur when employees do not fully understand what is expected of them or lack the necessary skills. This policy does not apply to employees who are new in role and are within their first 6 months of employment with SBC, these employees will be managed and supported in line with SBCs probation policy.

This policy sets out:

- Expectations when an employee cannot fulfil their role
- Steps to be taken if performance does not improve

Repeated and prolonged underperformance is not supported indefinitely. When an employee's performance consistently fails to reach the required standards, their line manager will start the formal procedure.

All cases will be dealt with in a non-discriminatory and consistent way and in accordance with SBC's [equality, diversity and inclusion](#) policy.

This policy applies to all staff directly employed by the Council. It does not apply to workers engaged through an agency, it is not contractual, and it can be changed at any time.

## Performance Management Process

### Identifying Concerns Early

Line managers play a key role in spotting and addressing performance issues promptly through regular, proactive reviews.

### Check-in Conversations

Managers and employees should hold regular 1:1 discussion throughout the year, using SBC's performance approach and the Cornerstone system as a guide.

### Standards for Feedback

Underperformance should be addressed as soon as possible after it occurs. Timely, constructive feedback ensures clarity, supports development, and promotes

accountability.

The performance management process consists of the following stages:

- Informal Stage – Early intervention and support and First Steps meeting if necessary
- Stage 1 Formal – First formal hearing and improvement plan
- Stage 2 Formal – Second formal hearing and extended improvement plan
- Stage 3 Formal – Final stage; potential dismissal if improvement is not achieved

## Potential impact of disability on performance

Consideration will be given to whether poor performance may be related to a disability and, if so, whether there are reasonable adjustments that could be made to your working arrangements, including changing your duties or providing additional equipment or training. We may also consider making adjustments to this procedure in appropriate cases

## Managing Performance

Stage	Action	Outcome	Monitoring period
<b>Informal Stage Line Manager meeting (First Steps)</b>	Informal Performance Improvement Plan	Informal improvement plan for a minimum of four weeks	If the employee's performance reaches the required standard, their progress will continue to be supported and monitored for 12 months. Should performance fall below expectations during this period, the line manager will work with the employee to

			address concerns and may consider moving to Stage 1 of the formal process.
<b>First formal Line Manager Hearing</b>	Formal: Potential outcome: a formal Performance Improvement Plan	If the targets in the informal improvement plan are not met, a formal improvement plan will be introduced for a minimum of four weeks. Following this review period, a decision will be made on whether to proceed to the next stage of the Managing Performance process.	If the employees' performance reaches the required standard, their progress will continue to be supported and monitored for 12 months. Should performance fall below expectations during this period, the line manager will work with the employee to address concerns and may consider moving to Stage 2 of the formal process.
<b>Second Formal Stage Line Management Hearing</b>	Formal: Potential outcome: a formal Performance Improvement Plan	If the improvements outlined in the Stage 1 plan are not met, a Stage 2 improvement plan may be put in place for a minimum of four weeks. After this review period, a decision will be made on whether to move to the next stage of the process.	If the employee's performance reaches the required standard at Stage 2, their progress will continue to be supported and monitored for 12 months to ensure consistency. Should performance fall below expectations during this

			<p>monitoring period, the line manager will address concerns with the employee and may consider progressing to Stage 3 of the formal process. Stage 3 is the final stage and involves an independent hearing, where all evidence and previous support measures will be reviewed before a decision is made</p>
<p><b>Third formal Stage: independent Hearing</b></p>	<p>Formal: An independent hearing will be conducted by a manager who has had no prior involvement in the case.</p>	<p>At this stage, all evidence and previous support measures will be reviewed, and a possible outcome may include dismissal or resetting the performance improvement plan at stage 2 of the process.</p>	<p>If dismissal is determined to be the appropriate sanction, it will be carried out with notice in accordance with contractual terms, and the employee will be placed on the redeployment register for the duration of the notice period. If dismissal is not considered appropriate, an alternative may be to implement a further Stage 2 improvement plan. This plan</p>

			will set revised objectives and include regular monitoring. If the employee meets the required standard, their performance will continue to be monitored for a further 12-month period to ensure sustained improvement. If the required standards are not met during this period, the employee may progress to Stage 3 of the performance process.
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## First Steps – Line Manager Informal Meeting

The First Steps Review Meeting will be held by the employee’s Line Manager when performance concerns persist despite support.

### Purpose:

- Discuss the nature of the performance concerns.
- Explore reasons for underperformance and any mitigating circumstances.
- Identify support measures and agree on next steps.

### Possible Outcomes:

- Agree on steps and targets to help the employee meet required standards.
- Consider occupational health, training, or reasonable adjustments if health or disability impacts performance.

- Adjust objectives or provide additional resources where appropriate.

Within one week of the Line Manager review meeting, the Line Manager will provide written confirmation of:

- Expected performance standards.
- Agreed actions and support.
- Consequences if improvements are not achieved.

If improvements are met and maintained during the 12 month monitoring period the employee exits the process. If not, the case moves to Stage 1 of the formal process.

### **Stage 1 – Line Manager Hearing**

The stage 1 Line Manager hearing will be chaired by the employee's line manager. The Line Manager will arrange for someone to take notes of the hearing, which will be shared with the employee following the hearing. The employee can arrange to be accompanied by a trade union representative or a colleague.

The Line Manager should contact HR to obtain a guidance document on how to conduct a Performance Improvement Hearing.

At the hearing, the Line Manager will review the employees' overall performance and highlight the specific areas where standards have not been met.

### **Stage 1 outcome**

Within one week of the hearing, the Line Manager will write to the employee confirming the outcome of the Stage 1 Performance Hearing. The letter will include details of the decision made, the specific objectives and targets agreed to support the employee in improving their performance, and any additional support or resources that will be provided.

### **The possible outcomes from the Stage 1 - Line Manager Hearing are:**

- Formal Performance Improvement Plan (PIP): Minimum 4–6 weeks with a 12-month review period; or
- No Further Action, In exceptional circumstances.

## **Formal Performance Improvement Plan and Performance Review Period**

The outcome of a Stage 1 Line Manager Hearing may be that the manager decides the employee should be managed formally. A Performance improvement plan (PIP) will be set, and the PIP will out set clear objectives, timescales, and support measures to help the employee achieve the required standards.

### **Employee Records**

The Performance Improvement Plan and review period will remain active on the employee's file for 12 months but will be disregarded for performance management purposes after that period, provided the required standards of performance are reached and sustained throughout the review period.

The Line Manager will forward copies of the outcome letter and all related documents to HR, who will arrange for the information to be uploaded to the employee's record on the HR system.

### **During the Performance Review Period**

If the employee's performance improves to the required standard, no further action will be taken. At the end of the review period, the Line Manager should write to the employee confirming that they have successfully completed the formal review period.

If, during the formal review period, the employee fails to achieve the improvements set out in the Performance Improvement Plan and/or performance concerns persist, the employee will progress to Stage 2 of the Managing Performance process.

If the employee is absent for a significant period during the review period (for example, due to sickness), the monitoring period will be paused. The review period will resume once the employee returns to work, ensuring they have the full agreed-upon timeframe to demonstrate improvement.

### **No Further Action**

In limited circumstances, for example, where there are significant mitigating factors, the outcome of a Stage 1 Performance Hearing may be that the Line Manager decides it is not appropriate to issue a formal improvement plan or commence a formal review period. If the decision is that no further action will be taken, the outcome letter should clearly inform the employee of this and explain the decision.

## Stage 2 – Second Line Manager Hearing

### Overview

The second stage in the formal performance process begins when an employee has not achieved the improvements set out in the Stage 1 Performance Improvement Plan, or where performance concerns continue during the formal review period. The Line Manager will invite the employee to a Stage 2 Performance Hearing.

The Line Manager will write to the employee, giving at least one week's notice of the hearing and setting out the details of previous meetings, the support provided, and progress made. The employee can arrange to be accompanied by a trade union representative or a colleague.

### Stage 2 Hearing

The Stage 2 Performance Hearing will be chaired by the employee's Line Manager. The Line Manager will arrange for someone to take notes of the hearing, which will be shared with the employee following the hearing.

The Line Manager should contact HR to obtain a guidance document on how to conduct a Performance Improvement Hearing.

At the hearing, the Line Manager will review the employee's performance against the objectives set in Stage 1, discuss areas where standards have not been met, and explore any mitigating circumstances. The purpose of the hearing is to agree next steps and determine whether further formal action is required.

### Stage 2 Outcome

Within one week of the hearing, the Line Manager will write to the employee confirming the outcome. The letter will include details of the decision made, revised objectives and targets under a Stage 2 Performance Improvement Plan, and any additional support measures that will be provided to help the employee achieve the required standards.

The possible outcomes of the Stage 2 Performance Hearing are:

- A formal Stage 2 Performance Improvement Plan Minimum 4–6 weeks with a 12-month review period; or

- No further action (in exceptional circumstances).

## **Stage 2 Formal Improvement Plan**

The outcome of a Stage 2 hearing may be that the employee enters a second formal review period under a revised Performance Improvement Plan. This plan will set clear objectives, timescales, and support measures.

The Stage 2 Performance Improvement Plan and review period will remain active on the employee's file for 12 months but will be disregarded for performance management purposes after that period, provided the required standards are reached and sustained throughout the review period. The Line Manager will forward copies of the outcome letter and all related documents to HR for upload to the employee's record.

### **During the Stage 2 Review Period**

If the employee's performance improves to the required standard, no further action will be taken. At the end of the review period, the Line Manager should write to the employee confirming that they have completed the formal review period.

If, during the review period, the employee fails to achieve the improvements set out in the Stage 2 Performance Improvement Plan and/or performance concerns persist, the employee will progress to Stage 3 of the Managing Performance process.

If the employee is absent for a significant period during the review period (for example, due to sickness), the monitoring period will be paused. The review period will resume once the employee returns to work, ensuring they have the full agreed-upon timeframe to demonstrate improvement.

## **Stage 3 – Independent Manager Hearing**

### **Overview**

The third stage in the formal performance process begins when an employee has not achieved the improvements set out in the Stage 2 Performance Improvement Plan, or where performance concerns continue during the extended review period. At this stage, the case will be referred to an Independent Manager Hearing, which will be chaired by a manager who has had no prior involvement in the case.

Before the hearing is arranged, the Line Manager will prepare a comprehensive report summarising the employee's performance history, the actions taken at previous stages, and all support provided. This report will include copies of improvement plans, outcome letters, meeting notes, and any other relevant documentation. The report will be shared with the Independent Hearing Manager to ensure they have all the necessary information to conduct the hearing.

The Independent Manager will write to the employee, giving at least one week's notice of the hearing and setting out the details of previous meetings and hearings, the support provided, and progress made. The employee will be provided with the comprehensive report prepared by the Line Manager. The employee can arrange to be accompanied by a trade union representative or a colleague. Except in exceptional circumstances, the Independent Manager will not arrange this meeting unless the Line Manager has followed all formal steps for Stage 1 and Stage 2.

### **Stage 3 Hearing**

The Independent Manager Hearing will be chaired by a manager supported by a member of HR. The Independent Manager will review the report prepared by the Line Manager to ensure it contains all relevant information and supporting documents. A meeting room will be booked or a secure virtual meeting arranged, and notes will be taken during the hearing.

At the hearing, the Independent Manager will review the employee's performance history, previous improvement plans, and any mitigating circumstances before making a decision.

### **Stage 3 Outcome**

The employee will usually be informed of the Independent Manager's decision at the end of the hearing. In exceptional cases, the Independent Manager may need additional time to consider the decision; in these situations, the employee will be advised of the delay and the reasons for it.

Within one week of the hearing, the Independent Manager will write to the employee confirming the outcome. The possible outcomes of the Stage 3 Performance Hearing are:

- No further action.

- A decision for the employee to remain on their Stage 2 Performance Improvement Plan for a defined period, with amendments where appropriate.
- To issue a further improvement plan with a specified review period, emphasising that continued underperformance cannot be sustained indefinitely.
- To explore potential redeployment to a more suitable role, subject to vacancies and the employee's successful application.
- A decision to dismiss the employee with contractual notice.

If dismissal is determined to be the appropriate sanction, it will be carried out with notice in accordance with contractual terms, and the employee will be placed on the redeployment register for the duration of the notice period.

If dismissal is not considered appropriate, an alternative may be to implement a further Stage 2 improvement plan. This plan will set revised objectives and include regular monitoring. If the employee meets the required standard, their performance will continue to be monitored for a further 12-month period to ensure sustained improvement. If the required standards are not met during this period, the employee may progress to another Stage 3 hearing.

## Appeal

An employee who is dismissed under this procedure has the right of appeal. The appeal must be submitted within one week of receiving written confirmation of the outcome, using the Appeal Form and stating the reasons for the appeal.

An Appeal Hearing is not a re-hearing but will focus on the grounds for appeal provided by the employee. The employee should state one or more of the following grounds with detail to support: -

- the decision was based on evidence that did not support the conclusion
- a failure to follow procedure had a material effect on the decision
- the action taken was too severe or inconsistent with previous decisions
- new relevant evidence has become available

The appeal hearing will be held within a reasonable timeframe and chaired by a manager independent to the hearing and previous stages of the process. The outcome of the appeal will be confirmed in writing and will be final.

## Employee Records

The Appeal Manager will forward copies of the outcome letter and all related documents to their HR Support, who will arrange for appropriate information to be uploaded to the employee's record on Agresso.

## Performance Improvement Plans

Performance Improvement Plans (PIPs) are designed to support employees in achieving and maintaining the required standards of performance in their role. These plans outline specific objectives and targets for improvement, tailored to the individual's circumstances. They may include reasonable adjustments, regular review meetings, and additional support measures such as coaching or training.

The goal of a PIP is to help the employee overcome any barriers to effective performance, ensuring they can meet the expectations of their role and contribute successfully to the organisation.

If the employee fails to meet or maintain the targets set in the improvement plan, they will move to the next stage of the Managing Performance process. Managers should contact their assigned HR Support for guidance on how to set up an appropriate Performance Improvement Plan.

## Performance Review Periods

The purpose of the Performance Review Period is to ensure that improvements achieved during the PIP are sustained over a longer term. This period provides ongoing monitoring and support to help the employee maintain the required standards.

If an employee fails to sustain these improvements or performance concerns recur during the review period, they will progress to the next stage of the Managing Performance process.

A formal Performance Review Period typically lasts up to 12 months. The duration may be adjusted based on the employee's specific circumstances and the requirements of their role.

## Redeployment – Change of Role

In some cases, it may be identified that the employee would be better suited to a different role or working environment. If this is the case, the employee will be able to use the organisation's Redeployment Scheme when applying for alternative work. It is important to note that suitable roles may not always be available, and if they are, they may be paid at different rates. There will be no pay protection if the employee secures a role at a lower grade.

Line Managers will also check if there is a suitable redeployment opportunity within their team and may offer a vacancy to the employee. It will be the employee's choice to accept or refuse the role. A trial period will apply in line with the organisation's redeployment guidance.

Should the employee accept permanent redeployment, their contractual terms will be varied accordingly. If the employee refuses the redeployment offer and no alternative roles are available, dismissal may be considered.

## Support & Advice

Employees can access support by contacting SBC's Employee Assistance Programme (EAP). This service provides free, professional, independent and confidential support, advice and short-term counselling. Details of this service can be found on the intranet.

## Maintenance of this Guidance

SBC reserves the right to review, revise or replace the contents of this policy when required to reflect changing operational needs and to comply with legislation.

## . Appendix A

### Key Discussion Points

At the meeting, the manager should, where appropriate:

Explain the purpose of the meeting, and clarify that it is to discuss performance concerns and identify ways to improve.

Clarify expectations, remind the employee of their responsibility to meet the required standards and confirm what those standards are.

Encourage open discussion, allow the employee to share their views and any factors impacting performance.

Explore underlying reasons, identify barriers such as unclear objectives, lack of training, workload issues, health concerns, or personal circumstances.

Review previous support, discuss what has been provided and whether it has been effective.

Agree on next steps, consider whether a Performance Improvement Plan (PIP) is needed or if changes should be made to an existing plan.

Highlight available resources, remind the employee of well-being support, and development opportunities.

Discuss alternative options if needed, explore redeployment if the role may not be suitable.

Confirm follow-up arrangements, agree review dates and explain that the outcome will be confirmed in writing within one week.

### **Practical Tips for Managers**

Prepare thoroughly, review performance data, previous discussions, and any improvement plans.

Create a supportive environment, ensure privacy and allow enough time for discussion.

Listen actively, show empathy and avoid making assumptions.

Document the meeting, keep accurate notes of what was discussed and agreed.

Remain objective, focus on facts and avoid personal opinions.

Seek HR advice, contact HR for guidance on complex cases or policy interpretation.

### **Follow-up Actions**

After the meeting, confirm the outcome in writing within one week. Include agreed objectives, timescales, and support measures. Ensure review dates are scheduled and monitor progress regularly. If performance does not improve, consider escalation in line with the Managing Performance Policy.