

SALISBURY NHS FOUNDATION TRUST Performance Appraisal and Pay Progression Policy

1. Quick Reference Guide

- This policy and procedure applies to all employees engaged on a contract of employment including fixed terms contacts. It excludes Bank, agency, contractor, and volunteer colleagues.
- It identifies the policy and procedure for conducting Performance Appraisals.
- It identifies when Pay Progression will apply.
- It provides guidance for People Managers on Performance Appraisal and Pay Progression.

2. Policy Introduction and Purpose

- Our ability to deliver an outstanding patient experience every time is reliant on your performance in your role.
- We believe it is important to recognise your performance and competence in your role. This is measured by your progress against and achievement of your objectives and in the positive Trust behaviours that you demonstrate.
- Our system of Appraisal and Pay Progression recognises your contribution to the service we deliver by linking your performance to your pay.

Version Information			
Version No.	Updated by	Updated on	Description of changes
1.0	Directorate HR Manager	N/A	New policy and replaces Appraisal Policy.
2.0	Directorate HR Manager	February 2017	Minor wording changes to paragraphs 2.1, 2.2, 5.1, 5.3, 5.4, 5.7, 6.2, 8.1, 9.2, 10.1, 11.4, 12.1, 13.1, 14.1, 14.2 Removal of paragraph 12.2 Added a reference section 18. More detail re PIA. 12.9 Management performance monitoring changed from 100% to Trust target.
3.0	Directorate People Business Partner	September 2019	Changes to policy to reflect national guidance linked to revision of Annexe 23 of the NHS Terms and Conditions of Service Handbook
4.0	Head of Employee Relations and Policy	September 2022	OD&P Policy and Procedure review in new Template including: <ul style="list-style-type: none"> • New introduction • Organisational Context and Objectives • Performance Appraisals • Objectives for the year ahead • Pay Progression • Guidance for People Managers – Performance Appraisals and Pay Progression
5.0	Head of Employee Relations and Policy	May 2023	Inclusion of New Process Change: Paper Forms

3 Eligibility

This policy and procedure apply to all non-medical employees engaged on a contract of service including those on fixed-term contracts. It excludes agency, contractor, Bank and volunteer colleagues.

4 Scope

This policy outlines your role and your manager's role in the Performance Appraisal and Pay Progression process. It identifies the procedures to be followed and provides guidance on Performance Appraisal and Pay Progression; all underpinned by the Knowledge and Skills core dimensions framework. (See [Appendix A](#)).

5 Organisational Context and Objectives

The Trust has an agreed organisation plan that identifies Trust Priorities and the service that we deliver in caring for our patients. Executive Directors and your senior managers are responsible for developing functional divisional plans to meet these service requirements. Your job and individual objectives are based on these service requirements and expected Trust standards and behaviours in the delivery of care to our patients; underpinned by the Knowledge and Skills core dimensions framework [Appendix A](#).

6 Performance Appraisal

Your performance is measured against your job description and progress against your individual objectives. Your performance will also be measured against Trust standards of conduct and behaviour as well as your knowledge and skill set out in the *Knowledge and Skills core dimensions framework* [Appendix A](#).

- We are committed to providing you with the knowledge and skills to demonstrate the required competence in your role and to perform to a high standard. This ensures we are able to deliver a high standard of care to our patients.
- We recognise that in order to reach your full potential, you need to have a clear understanding of what is expected of you and receive regular constructive feedback about your performance.
- Your regular one to one meetings with your manager throughout the year provide the information required for your annual appraisal. Your manager will arrange regular one to one meetings with you which are recommended to be monthly with a quarterly review of your objectives. This provides the opportunity for you to receive feedback and also to adjust your objectives based on organisational and Directorate priorities.
- Your performance appraisal will be conducted annually by your manager. In certain situations, you may have an appointed appraiser who may not be your direct line manager e.g. large groups of employees who do the same or similar jobs or where you have a professional reporting line to one manager as well as a functional reporting line to another manager. In these situations, your manager will confirm who will conduct your appraisal for the year ahead.
- In the case where you have 2 independent posts within the Trust, you should expect to receive 1 performance appraisal for each post.
- If you change jobs during the year, including if you are seconded, your new manager will be required to set new objectives for the remainder of that year and ensure that your performance appraisal is completed reflecting your performance over the last 12 months. Your current line manager is responsible for ensuring that your performance appraisal is completed and will agree the most pragmatic approach ensuring that your performance is fully reviewed and assessed, and relevant objectives are set. For example:

- Where you have spent 50% or more time in a new role your current manager will seek an interim appraisal from your previous manager and your new manager will conduct your performance appraisal and set objectives
- Where less than 50% of your time is spent in your new role your previous line manager will conduct that part of your performance appraisal and provide this to your current manager You will also receive a performance appraisal from your current manager who will also set your new objectives.
- The purpose of your performance appraisal is to:
 - Review your performance over the last 12 months,
 - Confirm completion of mandatory training and other development agreed during the year;
 - Set your objectives for the year ahead;
 - Identify training and development in accordance with your job requirements and objectives and your individual career aspirations;
 - Rate your performance which is used to reward your contribution to the service we deliver in accordance with our Pay Progression criteria.

6.1 Preparing for your Performance Appraisal

- Completion of your annual appraisal is a joint responsibility. It is advised that in order to facilitate the process either you or your manager will arrange a pre-appraisal meeting to make sure that you fully understand the appraisal process, have time to prepare (a minimum of at least 2 weeks' notice should be given) and complete the necessary documents prior to the appraisal.
- The Appraisals Process Map in [Appendix B](#) is provided to visually represent the appraisal process to support all parties in completing an appraisal
- If you have previously started an electronic version of the Appraisal Form in ESR (being phased out in 2023) you can choose to finalise this version or change revert to the new paper version.do not have access to ESR an off- line version of the Appraisal form will be provided to you at the Pre- Appraisal Meeting
- If you are going to provide the names of any individuals your manager can approach for feedback as part of providing evidence for your appraisal, you will need to agree these with you manager beforehand. Feedback providers should be key individuals whom you have worked with in the performance of your job and in working towards your objectives. 360 - degree feedback is recommended which includes peers, managers of projects or activities you have worked on and wherever possible colleagues in lower grade positions with whom you have worked.
- Your manager will arrange a mutually convenient time and place to conduct the appraisal meeting. At least an hour should be planned for the appraisal meeting. On occasion, service needs will mean that meetings may need to be rearranged and your manager will do so at the next earliest opportunity

- The meeting is a two-way, open, and honest discussion between you and your manager covering the whole of the previous year. It will be facilitated by your manager, and you will be encouraged to take the lead in discussions. There should be no surprises in an appraisal meeting as any issues should be raised with you as they occur with timely feedback throughout the year.
- Following your appraisal discussion your manager will need to confirm in ESR that the appraisal has been completed. They will also email a copy of the completed form to sft.staffappraisals@nhs.net to be securely kept within OD&P.

What your Performance Appraisal Meeting will cover	
Measurement	Assessing your performance against agreed targets and objectives, and your behaviour and attitudes against Trust values and technical competence, and behaviours against The Assessment Guide in Appendix B
Feedback	On your performance and progress against your objectives. This will include what is required to continue to perform well in the future, particularly in view of any changes and evolution of job roles. This also provides the opportunity to review your job description.
Positive reinforcement	Emphasising what has been done well and what could/might be improved and drawing out the importance of how things are done, as well as what is done, ensuring effort is directed at value-added activities.
Exchange of views	A frank exchange of views about what has happened, how you can improve your performance, the support you need from your manager to achieve this and your aspirations for your future career.
Agreement	Jointly agreeing what needs to be done to improve and sustain performance.
Training and Development	Discussing and agreeing training and development that may be required for your role and your career development
Objectives	Discussing and agreeing objectives (a minimum of 3, 1 of which should be a development objective) for the forthcoming year aligned with the Trust and Directorate plans and priorities.

6.2 Objective Setting for the Year ahead

Your manager will set your objectives with you for the year ahead, these should be stretching objectives which are separate but related to the duties in your job. For example, an objective may be to work on the delivery of a service improvement or a project or to develop an individual in your team. The key to an objective is it must support the achievement of Directorate priorities and must deliver improvement by adding value above the duties set out in your job description. Objectives must be SMART for you to successfully meet them and for your manager to measure them.

Definition Of Smart Objectives		
S	Definition Of Smart Objectives	Objectives should be specific. They should be outlined in a clear statement of precisely what is required, describing the result that is desired in a way that is detailed, focused and well defined. The objective must be aligned to Directorate priorities.
M	Measurable	Measurement is important because it will enable you to know whether an objective has been achieved. Include a measure to enable progress to be monitored and to identify when the objective has been achieved.
A	Achievable (or agreed)	Design objectives to be challenging but ensure that failure is not built into objectives. Objectives should be agreed between you and your manager and may require agreement from other key stakeholders to ensure commitment to them. They may also require training and development to achieve them
R	Realistic (or relevant)	Focus on outcomes rather than the means of achieving them.
T	Time-bound	It is necessary to set a date or time by which the objective should have been accomplished or completed and this contributes to making objectives measurable. Therefore, agree the date by which the outcome must be achieved.

7 Pay Progression – Policy and Procedure

Pay progression for all pay points is conditional upon you demonstrating that you have the requisite knowledge and skills/competencies for your role and that you have demonstrated the required level of performance and delivery. This element of the appraisal process was temporarily withdrawn due to the challenges of completing appraisals during COVID and still remains in place. Unless there are serious concerns regarding your performance and/or attendance (as outlined in paragraph 8 below) and you are not going through a formal process, your pay progression through the appropriate pay points will be automatic. Everyone is required to have an annual appraisal.

7.1 Confirming Your Pay progression

- At your pay-step date you will progress to your next pay-step point which is the anniversary of the date that you commenced employment in your current band unless the following applies:
 - a) You have moved to a job in a higher pay band, your pay step date will become the anniversary of the date you commenced in that new band. The exception to this is for professionals covered by annex 20 (Development of Professional Roles) of Agenda for Change Terms and Conditions who will retain their original pay step date.
 - b) Your post is re-banded to a higher band as a result of a changed job evaluation outcome (see provisions of the Job Evaluation Handbook), your pay-step date will become the anniversary of the agreed date that the new job description is deemed to have taken effect.
 - c) In all other cases, including changing jobs within the same band and moving to a lower band as part of an organisational change process, pay-step dates will remain unchanged.
- Where your pay step point does not lead to an increase in pay, or where you have reached the top of your respective pay band, you are still expected to remain up to date with all Mandatory and Statutory Training, meeting the requirements of your role and achieving your objectives.

7.2 Re-earnable Process for Bands 8C, 8D and 9

- The principles and standards for pay progression and then re-earnable pay for staff in bands 8c, 8d and 9 are the same as the principles and standards for all other staff.
- Once you have reached the top of your pay band, the expectation is that you will meet the required standards and will re-earn the relevant element of pay annually. The first point at which the re-earnable element becomes relevant is 12 months after you have passed through your pay step point to reach the top of the band.
- In the year after you have 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 pay progression standards are met, salary is retained at the top of the band. If standards are not met salary may be reduced by 5 per cent or 10 per cent from the pay step date, subject to factors beyond your control, such as organisational or operational issues preventing compliance with any of the requirements. You will be able to restore your salary to the top of the band at the end of the following year by meeting the required standards. The table below provides an example of how managers can apply discretion in reduction of salary due to performance.

Performance Rating	Reduction which may be applied to salary
4: Exceptional	Salary maintained at top of band
3: Fully effective	Salary maintained at top of band
2: Developing	Salary reduced by up to 5%
1: Unsatisfactory	Salary reduced by up to 10 %

8 Circumstances Affecting Performance Appraisal and Pay Progression

- There may be extenuating circumstances that have prevented you from completing your mandatory training or attending your annual appraisal. Where this occurs, you must discuss the extenuating circumstances with your manager and People Advisor.
- With your manager's approval, you may be given an extension (not normally more than 1 month) to become up to date with all of your statutory and mandatory training. Extenuating circumstances include, but are not limited to: service demand, bereavement, inability to be released for training and cancelled training courses.

The table below identifies how your Performance Appraisal and Pay Progression will apply to specific situations.

Circumstances Affecting Performance Appraisal and Pay Progression	
Situation	Action
<p>If you are under any of the following formal procedures and action has been taken as follows:</p> <ul style="list-style-type: none"> • Performance Management • Disciplinary sanction 	<p>If you are under any of these formal procedures your appraisal will reflect this and your pay-step point will be deferred and applied the day after the expiry of the formal process or sanction. This will become your new pay-step date.</p>
<p>Suspension</p>	<p>Suspension from work on full pay is a neutral act. Where you are suspended on the date of your pay step point review and you meet the required standards of performance and conduct your pay step point will be applied.</p>
<p>Planned Long Term Absence for the following reasons:</p> <ul style="list-style-type: none"> • Maternity/Adoption leave • Shared Parental Leave • Carers Leave • Paternity Leave • Parental Leave 	<p>If you will be absent for any of these reasons on your pay-step point date your manager will conduct your appraisal ideally 1 month before your planned absence and your pay-step date will be applied in the usual way</p> <p>If this is not possible and the performance appraisal cannot be conducted prior to the pay step date, then the pay step point will be automatically applied in your absence. On your return to work your manager will set new objectives and identify required training and development. Your manager will conduct your performance appraisal within 3 months of your return to work.</p>
<p>Sabbaticals/Career breaks</p>	<p>If you will be absent as a result of a sabbatical/career break these are by definition your choice and your contract and contractual entitlements are paused during this break. Your pay step point will be "frozen" at the pay point you were allocated to on your last working day. You would return to work on the same pay point that you left. Your manager will conduct your performance appraisal at least 1 month before your absence. On your return to work your manager will set new objectives and identify required training and development needs these will be reviewed 3 months from your return to work.</p>
<p>Long term sickness including sickness absence attributed to employment</p>	<p>If you are absent from work for reasons such as sickness when a pay step is due, the principle of equal and fair treatment will be followed so that no detriment is suffered as a result. In such instances and if it has not been possible to undertake the performance appraisal before your absence pay progression may be deferred until you have returned to work for 3 months. On your return to work your manager will review/set new objectives and identify required training and development needs. These will be reviewed 3 months from your return. This would allow you to achieve agreed objective/s within an agreed timeframe. Your pay-step award would be backdated where appropriate.</p>

9 Appeals

- You may, if you wish, appeal either your Appraisal Performance rating or the deferment of automatic pay progression within 10 working days of the outcome. Your appeal will need to be submitted to your manager's manager who will then arrange for an Appeal Hearing to be held within 14 working days. The decision of the appeal hearing is final and there are no further rights of appeal.
- Where disputes occur which are related to pay progression, pay will be backdated to the incremental date if your appeal is upheld.

10. Guidance for People Managers – Performance Appraisals and Pay Progression

10.1 Benefits of Performance Appraisals and Pay Progression

Your role is integral in identifying how individual performance has a direct impact on and contributes to the Trust's success. The benefits of conducting effective Performance Appraisals and following the Pay Progression Process for the Trust includes:

- Improved performance for your team and department.
- Defined contribution by you and your team to your Directorate's performance.
- An opportunity to ensure that each team member has the correct job description, is familiar with the Directorate plans and priorities and that their objectives are aligned to these.
- An opportunity for you to support and check that each member of your team has the required training and development.
- The opportunity for you to acknowledge achievements and say thank you.
- Improve the motivation and morale of your team.
- Receive feedback from your people on management performance.

For our people, conducting effective Performance Appraisals can:

- Provide recognition and feedback on their performance and achievements.
- Gain a better understanding of their performance requirements.
- Be set clear objectives to help them understand your expectations and that of the Directorate and Trust.
- Provide a forum to agree Personal Development Plans and establish any training and development needs, as well as discuss future career opportunities.
- Give them greater motivation and job satisfaction.

10.2 Your Responsibilities as a Manager

As a manager you are responsible for creating an environment where your people can reach their full potential and demonstrate high performance and competence in their job. It is essential that all our people are clear on their job and how their objectives link to the Trusts agreed service and high-quality care to our patients.

You are responsible for setting objectives and appraising each member of your team, ensuring that you have regular one to ones and quarterly reviews. (See Section 6 Performance Appraisal)

Assistance from your People Advisor is available to discuss the Appraisal and the Pay progression process and is recommended if you are considering deferring Pay Progression.

Appraisal and Pay Progressing Timetable for Managers	
In month 2 prior to the appraisal and pay step point date.	You should arrange for the following to be completed with the employee: <ul style="list-style-type: none"> • Confirm the appraisal process and the Appraisal Form which will need to be completed. Agree the names of any individuals you can approach for feedback • Request feedback from agreed people • Conduct the performance appraisal meeting • Write up your comments • Agree objectives and training and development for the year ahead
1 month prior to the appraisal and pay step point date	You should arrange a separate meeting with the employee to: <ul style="list-style-type: none"> • Confirm the pay progression point, if pay progression has been deferred • Advise the employee they may appeal their appraisal rating or deferral of pay progression if applicable
Appraisal and Pay Progressing Timetable for Managers	
After the appraisal	<ul style="list-style-type: none"> • Provide a copy of the completed appraisal to the employee • Retain a copy on the Personal Record File • Email the completed form to sft.staffappraisals@nhs.net to be held securely with OD&P • Update ESR to record the appraisal has been completed (see guidance on the intranet)



11 Monitoring Compliance and Effectiveness of this policy

This will be monitored by the OD and People Directorate. Our People managers are responsible for the implementation of this policy and procedure and our people are responsible for following the policy and procedure.

12 Equality Impact Assessment

An Equality Impact Assessment has been completed and was presented to the ratifying committee at the time of approval.

Appendices

A	Knowledge and Skills Core Dimensions Framework	 CSTF England Subject Guide v1.0 Oct 20.pdf https://mg.salisbury.nhs.uk/media/3558/appendix-a-cstf-england-subject-guide-v10-oct-20.pdf
B	Appraisals in ESR – Process Map	 Appendix B ESR Appraisals Process M: https://mg.salisbury.nhs.uk/media/3559/appendix-b-esr-appraisals-process-map-draft-proposed.pdf

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