



# STAFF PAY & PERFORMANCE APPRAISAL POLICY (PART B)

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**Signed – Governor**

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**Print Name**

**Date:**            **December 2017**

**Review:**        **December 2018**

## **PART B**

### **1. Introduction**

The introduction of Performance Related Increments (PRI) was agreed with UNISON and CYWU as part of the review of the Hertfordshire Employment Package. The aim of PRI is to provide the opportunity to recognise individual performance.

Historically, progression through HCC's incremental spinal column points has been automatic, with increments awarded annually on a time served basis. With the introduction of PRI the final automatic increase was paid in June 2012.

PRI provides the opportunity to either:

- (a) award an increment to those who achieve an overall 'Fully Achieved' or 'Exceed' rating against their objectives.
- (b) award additional payments to employees who achieve an overall 'Exceed' rating against their objectives.
- (c) withhold an increment for employees that are awarded a 'Not Met' or 'Partly Met' rating.

Employees will still receive any nationally determined cost of living increase each year and will receive this payment regardless of their start date.

Employees and their line manager should note that when dealing with any practices listed in the PRI policy, and in particular, those relating to progression and performance, they must comply with the Bribery Act 2010. The Bribery Act relates to the offering, promising or giving of a reward to induce a person to perform a relevant function or activity improperly.

If you believe that a person has failed to comply with the Bribery Act, you should notify your line manager immediately, or refer to the Schools' Whistleblowing Procedure for further guidance on how to report this.

### **2. Scope**

This policy applies to all NJC Local Government employees who work at Falconer School.

This policy does not apply to Teachers or employees who are covered by TUPE regulations or employees of Foundation, Voluntary Aided or Academy Schools who have not adopted the Collective Agreement between Hertfordshire County Council and UNISON in relation to revised terms and conditions of employment.

### **3. How the PRI scheme operates**

From 1 June 2012 all employees within scope of this policy moved to a system of PRI. Employees will be awarded an increment based on the overall rating from their annual appraisal as part of the School's Performance Appraisal Scheme. All ratings will be subject to a moderation process (see section 10.4). PRI will be paid in October and will be backdated to 1 June.

Falconer School's Performance Appraisal Cycle runs through the academic year. For employees on this cycle an overall rating will be agreed by 30 September each year. This must be entered via the

School SAP Portal. The table below outlines the increments awarded for performance appraisal ratings:

#### 4. Timetable

Below is an overview of the annual process for schools. Each step will be explained in more detail in the process section.

Performance Appraisal Overall Rating	Increment and/or Award
No overall rating - Too early to assess or No overall rating -Insufficient service due to absence	No increment
Not Met	No increment from 1 June
Partly Met	No increment from 1 June
Fully Achieved (not at top of grade)	1 increment
Exceed (not at top of grade)	1 increment plus non-consolidated one off payment of 1%
Exceed (Top of Grade)	2% non-consolidated one off payment

Activity	School Dates
Performance objectives set	September
Mid year review – this is recommended for all staff but <b>is essential</b> for ‘Not Met’ or ‘Partly Met’	February
Annual review undertaken	June/Sept
Rating entered onto Schools SAP Portal	by 30 Sept
Increment awarded (where appropriate)	October Payroll (backdated to June)

#### 5. New Starters

All employees must have more than 6 months HCC service in their current post, when the annual PMDS appraisal takes place to qualify for the award of an increment.

Where employees have 6 months or less HCC service they will be rated as ‘No rating -Too early to assess’ and will have to wait until the following performance year to be eligible for an increment.

For employees on the September - August cycle, this will apply to employees starting after 1 March each year. Incremental awards will not be granted part way through the year, backdated or be pro-rata once the employee has reached more than 6 months service.

Employees starting after 1 March each year will still participate in the performance management process and have objectives set and reviews undertaken.

## **6. Overall Ratings**

### **6.1 Objectives**

The Support Staff Performance Appraisal requires managers and employees to agree objectives for each performance year. The overall rating is based on an assessment of the performance against individual objectives at the annual appraisal. See Appendix 1 for suggested definitions for determining overall ratings. Exceptionally it may not be practicable for a school to set objectives in September, in which case objectives should be set as soon as possible. There will need to be sufficient evidence at the end of the cycle to make an appropriate judgement with regard to the PRI rating.

### **6.2 Agreement of an overall rating**

Overall ratings are agreed by the employee and line manager as part of the annual performance review. It will be the responsibility to review all ratings awarded prior to these being entered via the Schools SAP Portal. The Authority will review the ratings for schools on an annual basis to ensure a fair and consistent process is being followed.

### **6.3 Linking Overall Ratings to Pay**

Increments will be awarded as follows:

#### **6.3.1 'Exceed' rating (not at top of grade)**

If an employee receives an 'Exceed' rating and are not at the top of their grade, they will move one increment to the next spinal column point (SCP) **and** receive a one off lump sum of 1% of their basic pay.

#### **6.3.2 'Exceed rating (at top of grade)**

Employees at the top of their grade, where an increase of a spinal column point is not possible, will receive a one off lump sum of 2% of basic pay.

#### **6.3.3 'Fully Achieved' Rating**

If an employee receives a 'Fully Achieved' rating and they are not at the top of their grade, they will move one increment to the next spinal column point.

#### **6.3.4 Lump Sum Payments**

The one off non consolidated lump sum payment, payable in October but backdated to June, is pensionable and subject to tax and national insurance deductions. It is not a permanent increase to salary. The payment is not taken into account when calculating any other payment.

Lump sum payments will be based on pay as at 31 May each year. For employees on reduced pay (e.g. Sickness, Maternity) as at 31 May the basic salary which applied immediately before the absence shall be used for the basis of calculation.

#### **6.3.5 Pay Protection**

Where an employee is on pay protection, any payment made for an 'Exceed' rating will be based on the actual pay in the role for which the 'Exceed' rating was achieved, not on their protected pay. The payment will be made in October and backdated to June as a one off payment, paid in addition to the protected pay.

Any changes to PRI as a result of any delay in a nationally negotiated pay award will automatically be backdated. This includes the non consolidated payments for an 'Exceed'.

#### 6.3.6 Withholding Increments: Not Met or Partly Met

An increment will be withheld where an employee is rated as 'Not Met' or 'Partly Met'. Where this occurs, the manager will need to identify with the employee what support is required in order for the employee to achieve a 'Fully Achieved' in the following year. This may require further training and support which should be included in an employee's Personal Development Plan and associated objectives.

An increment can also be withheld where;

- An employee is being managed under the formal performance capability process.
- An employee has a formal performance improvement plan in place.

#### 6.3.7 Payment of previously withheld increments

Where an increment has been withheld for a 'Partly Met' rating the increment may subsequently be paid following the mid year performance review if;

- The employee is subsequently withdrawn from the formal performance capability process.
- The employee can demonstrate sustained improved performance to the required level at the mid year performance review.

Any withheld increment that is subsequently awarded following the mid-year review will be backdated to December's salary and will not be backdated to the normal annual increment payment date of June.

## 7. Managing Absence within the Performance Year

### 7.1 Long Term Sickness and Career breaks

An employee will need to accrue more than 6 months in their role during the performance year to receive a performance rating for that year. The same principle applies if someone has had a number of absences due to sickness over the year, in which case there must be more than 6 months cumulative at work for an assessment to take place. If an employee is off for more than 6 months cumulative in a performance year then a rating of 'No rating - insufficient service due to absence' will be entered for that performance year, unless the absence is linked to a recorded disability as detailed in 7.2.

### 7.2 Disability

Where an employee is absent from work for a reason relating to a recorded disability, which is covered within the Equalities Act 2010, and the absence spans the whole performance year or

the employee is at work for less than 6 months of the performance year, then the employee should be awarded a rating based on their performance over the previous performance year. This should be at a maximum of a 'Fully Achieved' rating. For further advice and support relating to disability please contact the Schools' HR Advisory Team.

### **7.3 Maternity, Paternity & Adoption Leave**

If Maternity, Paternity or Adoption leave starts during the performance year, but the employee has completed more than 6 months in their role then their performance rated up to the point of leaving should be used to award the overall year end performance rating. This will be paid in October and backdated to June. If Maternity / Paternity or Adoption leave spans the whole performance year or the employee is at work for less than 6 months of the performance year, then the employee should be awarded a rating based on their performance over the previous performance year. This should be at a maximum of a 'Fully Achieved' rating.

## **8. Changing roles mid-year**

If an employee changes job internally during the performance year including acting-up and secondments, the current manager should hold an interim review with the employee before the change takes effect to agree and provide a provisional overall rating to the new manager (if appropriate). The new manager can then make an assessment of the employee's overall performance at the end of the performance year taking into account the information from the previous manager.

## **9. Fixed Term Contracts**

Where a fixed term contract ends and an employee is immediately employed on a further fixed term contract, within the same school or another HCC school or department, providing the employee has more than 6 months service, a rating will be awarded. The process will follow as detailed above in 'Changing roles mid year'. If the fixed term contract ends before the end of the performance year the process ceases with the contract.

## **10. The PRI Process**

### **10.1 Setting Objectives**

By September, at the start of the annual performance cycle managers should agree a set of objectives for each employee, with clear indication as to how each will be assessed at the end of the annual cycle. See 6.1 about setting objectives later in the academic year.

### **10.2 Mid Year Review - February**

Mid year reviews will be undertaken for all employees. The purpose of the mid year review is to assess how the employee is performing against each objective; to identify whether any short falls are occurring and what support and guidance is required to assist the delivery and achievement of objectives set at the beginning of the performance year.

### **10.3 End of Year Review – July / September**

At the end of the annual cycle, managers will assess with the employee each objective to assess what has been done to achieve the objective and how it was achieved. Discretion can be applied whereby the weighting for a particular objective has higher importance to the role. The manager and employee will agree a rating (subject to a moderation process) for each objective and an overall rating for the performance year. This rating will be entered via Schools SAP Portal.

#### **10.4 Moderation Process**

It will be the responsibility of Headteachers to review all ratings entered as at 30 September to ensure that there has been a consistent approach to the awarding of ratings and raise concerns with the appraising manager regarding ratings entered where appropriate. This may result in a review of the performance appraisal rating awarded.

The Authority will annually review the ratings for Schools' to ensure a fair and consistent process has been followed. Schools will be contacted if there are particular concerns.

#### **10.5 Payment of Fully Achieved / Exceed rating outcomes**

Following the moderation and approval process overall ratings entered via the Schools SAP Portal will be amended where necessary, and those employees who have a 'Fully Achieved' or 'Exceed' rating will be awarded the relevant payments and/or increment.

#### **10.6 Raising Concerns Regarding the PRI Process**

There is no right of appeal to the assessed rating. If the employee feels unhappy regarding their assessment they should speak to their line manager in the first instance followed by the Headteacher or Chair of Governors if concerns remain.

#### **10.7 Process for withholding increments**

Where a manager assesses an employee with one of the following ratings, increments will automatically be withheld:

- No overall rating - Too early to assess
- No overall rating - Insufficient service due to absence
- Partly Met
- Not Met

#### **10.8 Process for awarding a withheld increment**

Where a manager wishes to subsequently award a withheld increment the manager will need to complete the relevant form in the PRI toolkit. A withheld increment can only be awarded following the mid year review where an employee moves from a 'Partly Met' to a 'Fully Achieved' rating.

The reinstated increment will be awarded following the mid-year review in February and will be backdated to December.

### Suggested definitions for determining overall ratings

<b>Exceed</b>	Exceptional performance, meeting all objectives, consistently delivering outcomes beyond expected standards in all areas of responsibility whilst demonstrating sustained, application of the values and behaviours
<b>Fully Achieved</b>	A job well done; all job requirements were met and planned fully achieving the objectives, outcomes and responsibilities for the role, consistently demonstrates the values and behaviours External Factors outside the control of the individual may have had an adverse impact but every effort was made to mitigate them – Most people
<b>Partly Met</b>	Objectives were partly achieved, outcomes not always delivered to the established standards, some responsibilities for the role were not fully met. The values and behaviours were demonstrated inconsistently. Needs some improvement.
<b>Not Met</b>	Majority of objectives and outcomes were not achieved, expected standards not met in significant areas. Demonstration of values and behaviours inconsistent with expectations. Needs immediate improvement.
<b>Too early to assess</b>	Individuals who have been in post for less than 6 months will fall into this category. Arrangements are in place for those who are absent for long periods, e.g. maternity leave and details are included in the policy and procedure