



Capability Procedure

1. Introduction

- 1.1 From the recruitment stage through to exit, the capability of all employees is assessed on an ongoing basis across the duration of the employment relationship at Hanover. This procedure therefore details what process will be followed by management in the event that sub-standard performance is identified and outlines how improvements may be sought.
- 1.2 Accompanying both the policy and this procedure is a a capability process flowchart, a performance management improvement plan template and a management guidance document.

2. Informal Stage

- 2.1 There can be various reasons for under-performance in the workplace. We appreciate that circumstances in our personal lives, for example, can affect our abilities or output for a period of time. However, we also expect such occurrences to be short-lived, as you will appreciate that sustained periods of poor performance can be problematic and may therefore lead to this procedure being invoked.

2.2 *Regular Check-ins*

- 2.2.1 It should be noted that our primary aim at Hanover is to promote a culture of support and encouragement for all employees in line with our organisational values. That is why you can be assured that our managers will spend time and resources to enable you to deliver a consistent, high level of performance.
- 2.2.2 Your capability will not only be discussed at performance reviews but also through ongoing catch-ups and 1-2-1's with your manager. The purpose of having regular check-ins is to ensure you are coping with your workload, duties and responsibilities and to identify whether any support is required. They are also in place to discuss your strengths and areas of development.
- 2.2.3 Should there be any gaps in your skillset, aptitude or knowledge, your manager will be forthcoming during your catch-ups and discuss the level in which you need to get to. Such conversations however, require input from both you and your manager in order to get to the root of any potential gaps or issues. This may lead to initiatives such as training, coaching or shadowing being put in place.

2.3 *Performance Improvement Plan*

- 2.3.1 As mentioned, your capability and performance will be continually assessed whilst employed in your role at Hanover. Subsequently, there may be occasions where you are unable to make the necessary improvements required to perform at the high standard in which we require. Skill gaps and performance issues will be discussed

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with you at regular check-ins, as illustrated in Section 2.1 above, however, a Performance Improvement Plan (PIP) may need to be introduced where there is little to no improvement being made.

- 2.3.2 In this instance, your manager will look to meet with you privately to discuss the concern. For the purposes of this procedure, this will be an informal meeting scheduled to consider your level of performance delivered against the level in which we require.
- 2.3.3 During the meeting, your manager will present evidence to you as to why your performance is falling short of expectations and discuss what steps have been taken so far to support you. This meeting will also provide you with the opportunity to explain your point of view and express opinions on how we can move forward.
- 2.3.4 In order to capture the agreed actions from this meeting, a PIP (see Appendix B) will be utilised to help monitor and track progress. The purpose behind the PIP is to define measurable goals and objectives for you. This creates an action plan, set against timescales, to help determine how and when these goals will be achieved.
- 2.3.5 Once the objectives and timescales have been agreed with your manager, you will set a target date to hold a review meeting. This will provide you with achievable goals to work towards, which we hope can be achieved by the time the review meeting is held. If so, and your manager is satisfied with your performance levels, the PIP will come to an end and your capability will be monitored moving forward, as any other employee. Failure to achieve the targets set within the timescale will most likely lead to a formal stage of the process being invoked. Otherwise, one extension period may be granted at the discretion of the manager depending on the circumstances.
- 2.3.6 It may be the case that an underlying issue is identified or you feel that there are mitigating circumstances preventing you from producing your best work. If so, each case will be considered on its individual merits and any decision to move forward with this procedure lies at the discretion of your manager. Similarly, if the capability issue is considered more serious, your manager may look to bypass the informal stage and go formal, as set out in the section below.

3. Formal Stage

- 3.1 Hanover is committed to providing our employees with opportunities to learn, grow and develop, even through processes such as capability. However, should your manager feel that you have been provided with ample opportunity, been offered additional support through a Performance Improvement Plan, and little to improvement can be identified, they will look to move to the formal stage of this process.

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3.2 The following authority levels may hold a Capability Meeting with an employee:

Stage	Potential Outcome	Delegated Authority
1	Written Warning	Manager or Supervisor and above
2	Final Written Warning	Asst Area Manager (or equivalent) and above
3	Dismissal	Area Manager (or equivalent) and above

3.3 *Formal Capability Meeting*

3.3.1 All capability cases at Hanover are intended to be handled promptly, sensitively, fairly and consistently in line with Hanover's values and this process. Therefore, should the informal stage of the procedure be exhausted or the performance issue is deemed to be of a more serious nature, employees can expect to be subject to the following:

- **Stage 1** – Failure to achieve the desired level of performance following the informal stage of the process will result in a Stage 1 Capability Meeting being held. This meeting will be held with your manager and you will be presented with the evidence gathered concerning your capability issue. Based on the information you provide, you may be issued with a First Written Warning, which would remain on your employee file for 6 months. A new or revised PIP will also be agreed at this meeting.
- **Stage 2** – If you have been issued with a First Written Warning and you then continue to produce an unsatisfactory level of performance in the following 6 months, you will again be invited to discuss your capability in the role. This meeting will be pitched as a Stage 2 Capability Meeting and depending on the information provided, you may be issued with a Final Written Warning. This would remain on your employee file for 12 months. A new or revised PIP will again be agreed at this meeting.
- **Stage 3** – If there has been no improvement in your performance levels in the 12 months following the Final Written Warning, a further meeting will be pitched as a Stage 3 Capability Meeting. You will again have the opportunity to justify the reasons for your poor performance and capability at this meeting. An outcome of this meeting may result in the termination of your employment with Hanover if no alternative options are available.

3.3.2 Please note that live warnings may be extended at any Stage of the triggers listed above. This also applies where the employee is absent from work for a period of more than 4 weeks. In this case, the warning will be extended by the same amount of time in which the employee was absent to allow for adequate assessment of progress.

3.4 *Decision and Outcomes*

- 3.4.1 During each stage of the process, the hearing manager will consider the evidence regarding your performance, the level of support, resources and training that has been implemented so far. At Stages 2 and 3 of the process, the hearing manager may obtain such evidence from your manager in order to present the case.
- 3.4.2 Upon consideration of all the presented information, the hearing manager will adjourn the meeting and make a decision upon whether a formal sanction is to be issued. Where possible the decision will be given verbally to you, and all decisions will be confirmed in writing upon conclusion of the meeting. You will also be notified of any right to appeal.
- 3.4.3 If a formal sanction is issued, it will be done in accordance with the below timescales, as mentioned in Section 3.1:
- Written Warning – 6 Months
 - Final Written Warning – 12 Months
 - Dismissal
- 3.4.4 If a warning is issued it shall remain live on the your file for the duration of the warning. At the point of expiry, provided the misconduct concerns have been resolved satisfactorily, the warning shall then be considered exhausted.

3.5 *Right to be Accompanied*

- 3.5.1 As each Capability Meeting is considered part of a formal process, you have the right to be accompanied by a trade union representative or colleague to all meetings held under the Capability Procedure.
- 3.5.2 You will be given at least 5 working days' written notice to attend any meeting and if your companion is unable to attend within this timescale, you should notify your manager of this and another date will be made within the following 5 working day period.
- 3.5.3 A member of the HR team may also be present at any meeting in the Stages listed in Section 3.1.

4. **Appeal**

- 4.1 In the event that a warning is issued for capability reasons, you can appeal against the outcome of any Stage by submitting the grounds of your appeal in writing, to your manager, within 5 working days of receiving the outcome.
- 4.2 Appeals will be heard by a manager who has not previously been involved in the case and, where possible, will be more senior to your manager. You will be notified of the appeal meeting in writing, and will have the right to be accompanied as outlined above. The decision reached within the appeal meeting will be considered final.

5. Appendices

- Appendix A – Capability Process Flowchart
- Appendix B – Performance Improvement Plan
- Appendix C – Management Guidance

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Author	HR Team
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