Performance Management Policy

September 2021

Draft for discussion

Reading Borough Council
Working better with you

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1. Introduction

This policy sets out Reading Borough Council's position on performance management of its employees. The Council recognises our employees are our most valuable resource and the key to our success. We are committed to becoming an employer of choice and a great place to work and learn. Performance management of all employees is a key element in developing the Council and its workforce to meet the strategic goals of the organisation and achieve customers' expectations in service delivery.

This policy has been developed in line with the Council's overall vision, reflects our Team Reading values and People Strategy and aims to ensure managers enable performance excellence within their team members.

2. Purpose

The purpose of the Performance Management Policy is to provide a consistent framework in which to maximise the effectiveness and potential of each employee and support the Council to achieve its goals and aims. Good performance management will not only provide employees with direction and purpose, it should also be a tool to motivate, support and develop.

The Council recognises that performance management should use tools, techniques and processes which reinforce the Council's values, acknowledge good performance, comply with relevant legal requirements and promote equality, diversity and inclusion in the workplace.

This policy covers the regular activities undertaken to manage performance at the Council. It does not cover dealing with consistent poor performance or sickness absence. These are dealt with under the Managing Poor Performance Policy or the Managing Sickness Absence Policy.

3. Scope

This policy applies to all employees on a permanent, fixed term or temporary contract regardless of role, location or length of service. This policy is intended to act as a general framework and may be varied in any way and at any time where the Council deems it reasonably necessary following consultation with the recognised Trade Unions.

This policy does not apply to agency members of staff, self-employed contractors or consultants or other individuals who fulfil outsourced roles.

4. Policy Statement

The Council aims to foster a high-performance culture. To achieve this, we strive to provide each member of staff with, clear behavioural competencies, clear performance objectives, on-going coaching, feedback, personal development opportunities and recognition for outstanding work.

5. Responsibilities

The Human Resources and Organisational Development service (HR & OD) has the responsibility for ensuring the maintenance, regular review and updating of this policy. Any queries or concerns on the application or interpretation of this policy can be discussed with HR & OD prior to any action being taken.

Corporate Management Team (CMT) is responsible for:
- Ensuring this policy is implemented across the Council
- Promoting a culture of performance excellence
- Evaluating the impact of the policy
- Setting strategic objectives for the organisation

Organisational Development & Learning (OD & Learning) are responsible for:
- Creating, reviewing and enhancing the performance management practices across the Council
- Monitoring performance management review completions
- Undertaking quality assurance activities including calibration (formally and informally) to ensure fairness and consistency of ratings and application of this policy
- Providing advice, guidance and support relating to the performance management policy and procedures
- Providing development support to ensure all managers are competent in holding effective one to one and annual review meetings
- Providing development support to ensure all employees understand and are able to participate effectively in their performance management activities

All managers are responsible for:
- Participating fully in all managerial aspects of the performance management process. All managers have a mandatory objective to complete these responsibilities including regular one to ones with employees and completion of annual reviews for each of their direct reports
- Ensuring each direct report has SMART objectives agreed and recorded for the performance year
- Ensuring all direct reports have an annual review meeting
- Meeting regularly (at least every 4-6 weeks) with direct reports during the performance year and reviewing ongoing relevance of objectives, amending

where required and ensuring employees are on track, providing coaching, support and direction
- Recording all performance review meetings, their outcomes/action points and for annual review meetings submitting ratings and forms as requested by HR & OD through our HR system (iTrent)
- If a manager manages other managers, they are responsible for reviewing annual reviews completed by those managers, to ensure consistency and fairness of ratings and proposed objectives set for employees for the year within iTrent.

All employees are responsible for:
- Participating fully in the performance management process
- Ensuring their performance meets the requirements of the role and any performance indicators (competencies and objectives) agreed
- Ensuring they inform line managers of any circumstances that may impact their performance at the earliest opportunity
- Proactively identifying development issues and opportunities and ways in which performance can be improved (both their own and that of the team)

6. Overview

An effective performance management system:
- Requires a shared responsibility between manager and employee
- Clarifies and aligns performance objectives with the Council and or department/team goals and in line with our Team Reading values
- Includes feedback and coaching concerning job performance
- Identifies learning and development needs
- Measures and documents performance
- Provides input for wider business decisions

Key foundational elements:

The Council supports flexibility in the performance management process, however it must always include the foundational elements listed below:

a) **Performance planning** - Clear performance objectives should be identified and communicated at the beginning of employment and throughout the performance cycle (as outlined in section 7 below). These performance objectives should align with Department/Team and Council goals and values
b) **Coaching** - Line managers should use coaching skills to help employees develop and use their talents for individual and Council success. Coaching should occur on a regular basis and include discussions on professional development
c) **Feedback** - Feedback is information about observed behaviour and performance that is developmental and constructive. It is often helpful for

employees to receive feedback from more than one source. Customers, peers and direct reports can provide important feedback to supplement the manager's observations.

d) **Performance review** - This is the annual review of the performance period, focussing on achievement, areas for improvement, review of development areas and goals for the future.

7. Annual Performance Review Guidelines, process and timeline

Key considerations for the employee are:

- A list of achievements throughout the performance period
- A self-assessment of their performance against objectives and competencies
- Areas of strengths and development needs

At the annual review and during one to one meetings the manager and employee will review items listed above, amendments required to objectives, priorities for the next performance period and strengths and development areas.

a) All employees must receive an annual performance review and one to one meetings every 4-6 weeks.

b) All employees must receive regular reviews during their probation as a minimum in line with the Council's Probation Policy (1-week, Month 1, Month 3 and Month 5).

c) Annual review forms should be agreed and signed promptly by the employee and line manager following the annual review meeting. A copy must be sent to the Managers Manager for review and agreement.

d) Performance reviews do not constitute terms or conditions of employment.

Annual review process - Key steps for completion of annual reviews

1. Employee prepares for annual review completing the form
2. Employee sends a copy of prepared form to line Manager for review including review of year's performance and proposed objectives for the forthcoming year
3. Line manager reviews form and meets with employee to discuss their performance and agree ratings for competencies/behaviours (how the employee has performed) and objectives (what an employee has completed during the year). Each element (competencies/behaviours and objectives) carries a weighting of 50% and an overall score is discussed and agreed for the performance year.

The line manager and employee review and agree objectives for the coming year
The line manager also provides feedback and comments in the relevant section of the form

4. Once agreed and the manager's comments have been added to the form this is uploaded into iTrent and submitted to the manager's manager for sign off
5. Manager's manager reviews annual review form and proposed objectives and agrees review
6. Employee and line manager are notified once this has been agreed
7. Manager completes annual increment process in iTrent for employee where applicable

Performance review timetable

Our performance year runs from April to March. Employees will be set objectives in their annual review meetings by 31 March at the latest for review and sign off by managers as part of the annual review process. Annual review meetings can be undertaken during December to March each year.

Employees will receive regular one to ones throughout the year on a minimum 4-6 weekly basis.

8. Competencies/Behaviours

Competencies in this context are the behaviours and skills all employees must possess and demonstrate in order to achieve a fully competent performance. At the Council these competencies are reflected in our Team Reading Values for individual contributors (non-managers) and in our Team Reading Leadership and Management behaviour framework for managers.

During regular one to ones and annual review meetings employees are expected to bring examples of how they demonstrate these behaviours/competencies during their work.

9. Objectives

Within the Council we aim to ensure clear alignment between our corporate goals and strategy through to service area, team and individual goals. This enables all employees to understand how their role supports the wider organisation objectives.

An employee's objectives will identify work outputs required during that performance year (or part year if an employee is new to their role). Objectives should normally relate to achievement of operational, tactical or strategic goals, continuous improvement or be developmental. Each objective is categorised on the annual review form. The categories are:

- Job specific: related to areas within the job description, professional guidance / standards and expectations of customers, partners and others
- Personal development: for agreed areas of learning and development
- Core competence: related to our Team Reading Values or Leadership and Management behaviour framework

Developmental objectives focus on developing the employee's performance in order to achieve full competence within their current role, including any changes within their current role or professional development requirements, or to prepare the employee for future positions and growth within the Council.

Objectives should be written in such a way as to be SMART:

- Specific (clear about the outcome)
- Measurable (the extent of the achievement of the outcome will be clear)
- Appropriate (the outcome is within the scope of the role)
- Realistic (you believe it is possible to reach the result) and;
- Time bound (achieved by a specific time).

Managers should consider the length of time the employee has been in their role when setting objectives. If an employee is new to the role there will likely be more development objectives than an experienced employee. In order for the objectives to be SMART they must be realistic to the level of experience and time in role.

At the annual review meeting employees will have an opportunity to propose, discuss and agree their objectives for the forthcoming year. Managers should communicate team/department goals and service plan areas so employees can propose objectives aligned to these.

Objectives may develop as the year progresses and should be reviewed and updated as relevant and required as part of regular one to one performance discussions.

10. Assessing and rating performance

The rating process is based on the principle that both achievement of objectives (the "What" of performance) and the performance in relation to competencies the "How" of performance) is important to the success of the Council.

During the review meeting line managers will rate and assess performance in relation to the achievement of competencies in "the How" and achievement of objectives in "the What" using the following:

Rating scale	Descriptor	The How	The What
5	Outstanding	*Delivers outstanding performance against all company values and competencies and is recognised as a role model beyond their team* *Is highly committed to developing self, and the continuous improvement of their team and Reading, actively taking ownership and responsibility for areas within their control and escalating improvements where required*	*Performance consistently exceeds normal job requirements, always delivers well above the expected requirements of the role, consistently exceeds objectives set*
4	Exceeds Expectations	*Consistently displays/demonstrates all of the company values and competencies* *Shows willingness to develop and takes on responsibility above their current role*	*Performance exceeds normal job requirements, delivers all and exceeds some of objectives set*
3	Meets Expectations	*Regularly displays all the company values and competencies* *Takes responsibility for developing in their role*	*Performance meets job requirements, makes a good contribution to the performance of their department/team* *Delivers majority of objectives set*
2	Inconsistently meets expectations	*Is developing towards the acceptable level of behaviour for the role* *Demonstrates the majority of values and competencies for their role* *Is starting to take responsibility to develop in their role*	*Performance does not meet job requirements; minor performance deficiencies, delivers some of objectives set* *Occasionally delivers below the requirements for their role*
1	Underperforming	*Is inconsistent in demonstrating our values and*	*Performance fails to meet job requirements; major*

| | | acceptable levels of behaviour required for the role | performance deficiencies; delivers none of objectives set |
| | | Is inconsistent in demonstrating willingness and drive to develop themselves | |

A final overall performance rating is given based on achievement towards both competencies and objectives where each element; competencies and objectives, holds a 50% weighting.

11. Annual Increments

Employees who have achieved an overall score of 'Meets expectations', 'Exceeds expectations' or 'Outstanding' in their annual review meetings will be eligible for an annual increment where they have not reached the top of the grade scale.

Where this applies, once the annual review has been reviewed and agreed by the manager's manager, the line manager must complete the annual increment process through ITrent employee self service

12. Managing development needs and underperformance

Most employees will have development needs e.g. skills, behaviours or knowledge they need to acquire in order to carry out their work more effectively and/or in response to changing working practices. These may be general in nature, such as where they need to improve management, leadership or communication skills in order to perform effectively at a particular level; or more specialised, such as an ability to carry out a process or operate a particular system. The Council actively encourages employees to take ownership of their development and have an effective personal development plan that is regularly reviewed with their line manager.

There may be times when an employee is unable or unwilling to address a development need. In these situations, it is important to understand the reasons for this, as this will determine the policy approach to be followed and the course of action to be taken. Line managers should consult with their managers or HR for support and guidance as soon as any concern arises as there may be a requirement to consider whether there is a barrier to development that could be mitigated with a reasonable adjustment or failing that whether action under the capability or disciplinary policies needs to be considered.

13. Resolving differences

If the employee and line manager cannot agree on the assessment of the employee's performance, another manager (normally the next senior manager) will be asked to resolve any difference. Where the Manager's Manager is unable to resolve any differences, the employee will be directed to the council's grievance policy.

Appendices:

Appendix A: Copy of annual review form-all staff

Reading Borough Council
Working better with you   **My annual review form**

Team Reading

EMPLOYEE	MANAGER/ SUPERVISOR
Name:	**Team:**
Date:	**Review period:**

If this is your first time completing an annual review or if you have any queries on the process, please refer to the Performance Management Policy and guides.

Key

	Employee areas for completion are shown in blue
	Managers areas for completion are shown in pink
	Joint agreement by employee and manager in yellow

PART 1: ABOUT YOUR YEAR

1.   Use this space to reflect on:
      What has gone well? What has been challenging? Your learning and
      development during the performance period.

2. **Competencies/Behaviours: Team Reading Values and for managers the Leadership and Management Behaviour Framework.** Provide an example of how you have demonstrated each of our competencies/behaviours during the performance period.

Team Reading Value /Leadership and Management Behaviour Framework	Example of value/leadership and management behaviours in action
T - We will work **Together**	
E - We will drive **Efficiency**	
A -We will be **Ambitious**	
M - We will **Make a difference**	

3. **Objectives:** Review your performance objectives and progress made.

Objective description	Measures of success	Target Date	Comments	Objective achieved Yes/No/Part

4. Your performance ratings. Discuss and agree your rating for your performance objectives, competencies and overall performance rating for the period

Insert x/circle next to agreed rating. Rating descriptions are shown in Appendix B

Rating	Outstanding	Exceeds expectations	Meets expectations	Inconsistently meets expectations	Underperforming
Competencies					
Objectives					
Overall rating					

The agreed overall rating for performance period is based on competencies/behaviours and objectives (where each carried an equal weighting). Please refer to the rating descriptions and performance management guide for further guidance. Where an employee scores different ratings for their objective and competencies e.g. Meet Expectations for objectives and Exceeds expectations for competencies the overall score will be agreed by the Manager ensuring fairness and consistency of ratings across the team.

5. Comments

Employee comments

Manager's comments

PART 2: LOOKING FORWARD TO THE NEW PERFORMANCE PERIOD

6. Development areas for new performance year

Reflect on your key strengths and development areas. What development actions/areas will you undertake /focus on to grow your competencies and overall performance over the next 12 months? These will be discussed throughout the year in your regular one to ones and can form a more detailed development plan-link template.

Development area

7. Objectives for coming year

Objective Description (SMART)	Measures of success	Target completion date	Objectives category **Job specific** **Personal development** **Core competency** (our Team Reading values/Leadership and Management Behaviour Framework

We agree that this is a true record of the annual review meeting:

This section should be completed once the Performance Review meeting has taken place.

Employee signature:	
Manager/ Supervisor signature:	

Annual review form Appendix A - Team Reading Leadership and Management Behaviour Framework

Annual review form Appendix B- Rating descriptions

Appendix B copy of one to one form all staff

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Team Reading

My one to one form

EMPLOYEE	MANAGER/ SUPERVISOR
Name:	Team:
Date:	

1. Discuss generally how things are going? (this could relate to workload, well-being and health and safety)

2. What is going well?

3. What has been challenging?

4. What have you learnt from this? What would you do differently?

5. Review of actions agreed at the last one to one meeting.

6. Competencies/Behaviours: Team Reading values/Leadership and Management Behaviour Framework for managers ("How we do what we do").
Consider one competency/behaviour at each one to one as a minimum and explore examples

Team Reading Value /Leadership and Management Behaviour Framework	Example of value/leadership and management behaviours in action
T - We will work Together	
E - We will drive Efficiency	
A -We will be Ambitious	
M - We will Make a difference	

7. **Objectives: Review your performance objectives set at your annual review and progress made.** Use the RAG status key as part of your reflection:

RED: Unlikely to meet objective or requires major action/support.

AMBER: Likely to meet with focussed actions discussed.

GREEN: Objective on target for achievement/achieved.

Objective description	Measures of success	Target Date	Comments	RAG status

8.   Development areas update (as identified in your annual review or separate development plan)

Development area	Progress/actions taken

9.   Opportunities to improve service/ensure value for money

10.   New action points agreed

Action points	Timescale (by when)

We agree that this is a true record of the one to one meeting:

Employee signature:	
Manager/ Supervisor signature:	

Guidance: This one to one record should be completed, signed by both parties (or electronically agreed) and a copy kept by both the employee and line manager.

One to One form appendix A: Team Reading Leadership and Management Behaviour framework

Appendix C - iTrent employee self-service guide annual review process **-to be created by Resourcing once process designed