

New Mills Town Council (NMTC)

Capability Policy

(Presented for Adoption – TBC 2025)



1. Introduction

- 1.1 This procedure supports the Council's Disciplinary Conduct & Capability Policy when concerns arise over an employee's performance.
- 1.2 The goal is to achieve and sustain improved performance through supportive and timely intervention, beginning with informal steps.
- 1.3 Issues covered under this procedure include a lack of skills, ability, aptitude, or knowledge. Deliberate underperformance or negligence is dealt with under the Disciplinary Procedure.
- 1.4 Poor capability may involve errors, delays, unmet standards, or performance that adversely affects service delivery or colleagues.
- 1.5 If an employee is off work due to health issues, the Council will follow its Health-Related Absence Procedure. Participation in this process will continue where the employee is fit to engage.
- 1.6 The Council will assess whether the employee meets the definition of a disabled person under the Equality Act 2010 and consider reasonable adjustments accordingly.

2. Informal Resolution

- 2.1 Managers are expected to monitor performance continuously through supervisions, one-to-ones, and annual reviews.
- 2.2 Early signs of performance issues should prompt informal intervention. Many cases can be resolved before formal action becomes necessary.
- 2.3 If poor performance is caused by external factors (e.g. personal, financial, health-related), the Council may offer signposting to support services, such as an Employee Assistance Programme.
- 2.4 The informal stage should involve a clear explanation of concerns, expectations, and the potential for formal action if there is no improvement.
- 2.5 If improvement is insufficient, the process will move to Stage 1 (Formal Monitoring & PIP). Employees are expected to attend all relevant meetings.

3. Stage 1 – Formal Monitoring & Performance Improvement Plan (Pip)

- 3.1 The manager will invite the employee to a formal capability meeting to discuss concerns. The employee may be accompanied by a trade union rep or workplace colleague.
- 3.2 The manager will outline expectations, evidence of underperformance, and the reasons for concern.
- 3.3 The employee may share their views, identify any contributing factors, and request support or training.
- 3.4 A Performance Improvement Plan (PIP) will be agreed upon, listing:
 - Areas for improvement
 - Timescales
 - Support and training
 - SMART targets (Specific, Measurable, Achievable, Realistic, Time-bound)
- 3.5 A monitoring period will be set depending on the issue. Regular check-ins (e.g. every two weeks) will be scheduled.
- 3.6 At the end of the period, the manager will assess progress:
 - If sufficient, no further action will be taken.
 - If partial, the monitoring period may be extended.
 - If insufficient, the process will escalate to Stage 2.

4. Stage 2 – Formal Notice to Improve

- 4.1 If needed, the manager will escalate to Stage 2 with HR support. The employee may again be accompanied.
- 4.2 The employee will be issued a **Notice to Improve**, a formal written document confirming ongoing performance concerns.
- 4.3 Where applicable, this may affect annual pay progression in line with Council policy.
- 4.4 A further PIP monitoring period will be set, and regular supervision will continue.
- 4.5 Outcomes at the end of the period:
 - If satisfactory, the process ends but the notice remains on file for 12 months.
 - If improvement is partial, the Stage 2 period may be extended.
 - If inadequate, the case may escalate to Stage 3.

5. Stage 3 – Formal Hearing

- 5.1 Escalation to Stage 3 is decided by a Commissioning Manager (e.g. senior service lead) with HR advice.
- 5.2 A report will be prepared by the Presenting Manager, including:
 - PIP documentation
 - SMART targets

- Records of meetings and outcomes
- 5.3 The employee will receive written notice of a formal capability hearing and may:
 - Attend in person
 - Submit written representations
 - Send a representative
- 5.4 Relevant documents must be exchanged at least 10 working days before the hearing.
- 5.5 A Hearing Officer (a senior manager uninvolved in the case) will consider the evidence and determine if:
 - The employee failed to meet expected standards
 - Adequate support was provided

Possible outcomes:

- **Extension of the Notice to Improve** (up to 12 more months)
- **Dismissal with notice** if sustained underperformance is confirmed
- 5.6 The decision and appeal rights will be provided in writing.

6. Stage 4 – Appeal

- 6.1 Appeals must be submitted in writing within **10 working days** of receiving the hearing outcome.
- 6.2 The appeal must include:
 - Grounds for appeal (e.g. procedural error, new evidence, unfair outcome)
 - Desired resolution
- 6.3 Appeals will be heard by a senior officer who was not previously involved.
- 6.4 Possible appeal outcomes:
 - Uphold original decision
 - Modify the outcome
 - Overturn and substitute a different resolution
- 6.5 The appeal decision is final and concludes the internal procedure.

7. Monitoring & Review

- 7.1 This procedure will be regularly reviewed for compliance with legislation, effectiveness, and best practice.

8. Equality & Diversity

- 8.1 The Council will apply this procedure in accordance with its Equality and Diversity Policy.
- 8.2 No employee will be disadvantaged due to protected characteristics or trade union membership.

8.3 An Equality Impact Assessment will be maintained and updated.