**VEEVE Capability Policy**

Introduction

The primary aim of this policy and procedure is to provide a framework within which we can work with you to maintain satisfactory performance standards and to encourage improvement where necessary. We recognise the difference between a deliberate or careless failure on your part to perform to the standards of which you are capable (in which case we will use the Disciplinary Policy and Procedure) and a case of incapability, where you are lacking in knowledge, skill or ability and so cannot perform to the standard required (in which case we will use this Capability Procedure in an attempt to help you).

Capability is defined under Section 98 of the Employment Rights Act 1996 as “assessed by reference to skills, aptitude, health or any other physical or mental quality”.

* Examples of capability issues include the lack of ability to perform the job to the required standard in either quality or quantity of work; problems adapting to new working methods; sickness absence; behavioural difficulties due to a medical condition; health problems; or personal problems having an adverse effect on work performance or working relationships.
* Where an employee has health issues, medical opinion will be sought and taken into consideration.
* Where an employee has permanent ill-health or a disability, we will do everything reasonable to adjust their work conditions so that they are capable of carrying out the work satisfactorily.
* Incapability is not a disciplinary matter. However, if at any stage the employee’s Manager has reason to believe that any aspect of the under-performance relates to misconduct, the Manager will invoke the Disciplinary Procedure.
* The employee will be given all reasonable guidance and assistance to enable them to meet the required standards of performance.
* At all stages of the procedure the employee will have the right to be accompanied by a companion (i.e. a colleague or Trade Union representative) if they wish.
* If a member of staff believes that the Capability Procedure has been invoked unfairly, they should use the Grievance Procedure to raise this.

**Procedure**

Minor capability issues will be dealt with informally through counselling and training. Informal discussions may be held with a view to clarifying the required work standards and the level of performance expected, identifying areas of concern, establishing the likely causes of poor performance, identifying any training or supervision needs, setting targets for improvement and agreeing a time-scale for review.

In cases where informal discussion does not lead to a satisfactory improvement in performance, or where the performance issues are more serious, the following Capability Procedure will be used. At all stages of the Procedure an investigation will be conducted and senior management consulted.

At each stage, we will notify you in writing of the concerns over your performance and the basis for those concerns. You will be invited to attend a Capability meeting to discuss the matter. You have the right to be accompanied, if requested, by a Trade Union Official, a Trade Union Representative or a fellow employee of your choice. A Senior Manager will also be present. You must make every effort to attend the meeting.

The purposes of the Capability meetings include:

* setting out the required standards that the Company considers you have not met;
* establishing the likely causes of poor performance (including any reasons why any measures taken so far have not led to the required improvement);
* allowing you the opportunity to explain the poor performance; and
* asking any relevant questions.

Except in the case where dismissal is proposed, the purposes of the Capability meetings also include:

* a discussion of measures, such as additional training or supervision, which may improve your performance;
* setting targets for improvement; and
* setting a reasonable time-scale for review (reflecting the circumstances of the case).

In a case where dismissal is proposed, the purposes of the Capability meeting also include:

* establishing whether there are any further steps that could reasonably be taken to rectify your poor performance;
* establishing whether there is any reasonable likelihood of the required standards of performance being met within a reasonable time; and
* discussing whether there is any practical alternative to dismissal, such as redeployment to any suitable available job at the same or lower grade.

Following the Capability meeting, we will decide whether or not formal performance action is justified. If so, you will be informed in writing of the Company's decision in accordance with the Stages set out below and notified of your right to appeal against that decision.

Stage 1: First Capability Review

The first Capability Review will set out the areas in which you have not met the required performance standards, targets for improvement, any measures (such as additional training or supervision) which will be taken with a view to improving your performance, a timescale for review and the likely consequences of failing to improve to the required standards within the review period. The First Capability Review will be recorded, but nullified after six months, subject to satisfactory performance.

Your performance will be monitored and, at the end of the review period, we will write to you to advise you of the next step. If we are satisfied with your performance, no further action will be taken. If we are not satisfied with your performance, the matter may be progressed to Stage 2 or, if we feel that there has been a substantial but insufficient improvement, the review period may be extended.

Stage 2: Final Capability Review

Failure to improve performance in response to the Procedure so far, or a first instance of serious poor performance, will result in a Final Capability Review being issued. This will set out the areas in which you have still not met the required performance standards, targets for improvement, any further measures (such as additional training or supervision) which will be taken with a view to improving your performance, a further timescale for review and the likely consequences of failing to improve to the required standards within the further review period (i.e. that dismissal will probably result). The Final Capability Warning will be recorded, but nullified after 12 months, subject to satisfactory performance.

Your performance will again be monitored and, at the end of the further review period, we will write to you to advise you of the next step. If we are satisfied with your performance, no further action will be taken. If we are not satisfied with your performance, the matter may be progressed to Stage 3 or, if we feel that there has been a substantial but insufficient improvement, the review period may be extended.

Stage 3: Final Resolution

Failure to improve performance in response to the Procedure so far will normally lead to Dismissal, with appropriate notice. We may first consider redeploying you, with your agreement, to another available job at the same or lower level which is more suited to your abilities. A dismissal decision will only be made after the fullest possible investigation. Dismissal can be authorised only by a Senior Manager/Director. You will be informed of the reasons for dismissal, the appropriate period of notice, the date on which your employment will terminate and how you can appeal against the dismissal decision.

Appeals

You may appeal against any decision under this Capability Procedure, including dismissal, to a Senior Manager or Director, within five working days of the decision. Appeals should be made in writing and state the grounds for appeal.

You will be invited to attend an appeal meeting chaired by the Senior Manager or Director. At the appeal meeting, you will again be given the chance to state your case and will have the right to be accompanied by a Trade Union Official, Trade Union Representative or a fellow employee of your choice. Following the appeal meeting you will be informed in writing of the results of the meeting.

The Company's decision on an appeal will be final.

Employees Who Have Been Employed For Less Than One Year

This Capability Procedure does not apply to an employee who has been employed by the Company for less than one year.