OBJECTIVE SETTING AND REVIEW POLICY AND PROCEDURE

July 2014

Authorship:	CSU Transition HR Policy Lead- adapted for local use by North Yorkshire and Humber Commissioning Support Unit on behalf NHS Scarborough and Ryedale CCG
Committee Approved:	SRCCG Committees Joint Trade Union Partnership Forum
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Equality Impact Assessment	Completed
Sustainability Impact Assessment	Completed
Target Audience:	All staff
Policy Reference No:	SRCCG P641
Version Number:	Version 1

The on-line version is the only version that is maintained. Any printed copies should, therefore, be viewed as 'uncontrolled' and as such may not necessarily contain the latest updates and amendments.

POLICY AMENDMENTS

Amendments to the policy will be issued from time to time. A new amendment history will be issued with each change.

New Version Number	Issued by	Nature of Amendment	Approved by	Date approved	Date on Intranet
DRAFT	SRCCG	Draft policy for CCG	Senior Management Team	17/06/2014	n/a
DRAFT	SRCCG	Draft policy for CCG	JTUPF	23/07/2014	n/a
1	SRCCG	Policy for CCG	Senior Management Team	12/08/2014	20/08/2014
1	SRCCG	Policy for CCG	Governing Body	24/09/2014	25/09/2014

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1 INTRODUCTION

1.1 This policy has been developed to define the NHS Scarborough and Ryedale Clinical Commissioning Group's (hereafter known as 'CCG') systematic approach to appraisals and pay progression. Changes introduced to Agenda for Change in 2013 have revised the application of incremental rises. The performance objectives of each individual in the CCG should be aligned to the CCG's overarching objectives and values and continue to be underpinned by the core competency dimensions. This policy provides the CCG's appraisal system which is directly linked to individual's performance.

2 ENGAGEMENT

2.1 This policy combines the NHS BSA Ongoing Review and Objectives and Pay Progression policies, which were negotiated nationally with staff side representatives. It has been tailored for local use within NHS Scarborough and Ryedale Clinical Commissioning Group where staff members and the Senior Management Team have had the opportunity to engage with its development prior to approval and ratification through the local Joint Trade Union Partnership forum

3 IMPACT ANALYSES

3.1 Equality

In applying this policy, the CCG will have due regard to the need to eliminate unlawful discrimination, promote equality of opportunity, and provide for good relations between people of diverse groups, in particular on the grounds of the following characteristics protected by the Equality Act (2010); age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, and sexual orientation, in addition to offending background, trade union membership, or any other personal characteristic.

An Equality Impact Assessment is attached at Appendix 1. As a result of performing the analysis, potential impacts have been identified resulting from the application of this policy however these should be minimised by fair and consistent application of the policy and regular reviews.

3.2 Sustainability

A Sustainability Impact Assessment has been completed for this policy and is attached at Appendix 2. The conclusion(s) drawn from the sustainability assessment is that the policy may have a positive impact in promoting and supporting equal employment opportunities under the workforce theme.

3.3 Bribery Act 2010

The Bribery Act is particularly relevant to this policy. Under the Bribery Act it is a criminal offence to:

- Bribe another person by offering, promising or giving a financial or other advantage to induce them to perform improperly a relevant function or activity, or as a reward for already having done so; and

- Be bribed by another person by requesting, agreeing to receive or accepting a financial or other advantage with the intention that a relevant function or activity would then be performed improperly, or as a reward for having already done so.

These offences can be committed directly or by and through a third person and other related policies and documentation (as detailed on the CCG intranet) when considering whether to offer or accept gifts and hospitality and/or other incentives.

Anyone with concerns or reasonably held suspicions about potentially fraudulent activity or practice should refer to the Local Anti-Fraud and Corruption Policy and contact the Local Counter Fraud Specialist.

4 SCOPE

This policy applies to all CCG employees employed under Agenda for Change terms and conditions and those managing such staff must apply this policy.

In accordance with the CCG's commitment to equality and diversity, and in line with the Equality Act 2010, this policy is to be applied equitably and fairly. Individual specific requirements related to a particular need will always be considered by line managers and met with discretion.

5 POLICY PURPOSE & AIMS

5.1 Objective setting and review is an integral part of ensuring individual and organisational objectives are aligned and managed effectively. In order to ensure objectives are appropriate and individuals are supported to achieve them and progress is monitored there should be regular meetings between individuals and their managers. The purpose of this policy is to provide a framework for individuals to be managed and their performance regularly appraised. An element of this is ensuring an individual's pay is linked to their performance by implementing the revised conditions in the Agenda for Change (AfC) handbook that relate to Pay Progression. These updated terms and conditions allow for deferring incremental pay progression in exceptional circumstances relating to significant weaknesses. It is not intended that this policy should be used to manage disciplinary matters, any disciplinary issue that arises should be managed in line with the CCG's Disciplinary policy.

Incremental pay progression for all pay points, within each pay band, will be conditional upon individuals demonstrating that they have the requisite knowledge and skills/competencies for their role and that they have demonstrated the required level of performance and delivery during the annual review period as determined locally in line with AfC Annex W.

Provided the appropriate level of performance and delivery has been achieved during the annual review period, as evidenced in the appraisal documentation, individuals will progress from pay point to pay point on an annual basis.

For pay bands 1 to 7, 8A and 8B this will apply to all the pay points in each pay band.

For pay bands 8C, 8D and 9 this will apply for the first 4 pay points in the band only.

Pay progression beyond the first four pay points in pay bands 8c, 8d and 9 will be dependent upon the achievement of locally determined levels of performance. Pay progression to the last two incremental points will have to be earned annually, and only retained where the agreed level of performance is attained.

6 DEFINITIONS

AfC - Agenda for Change Terms and Conditions of Service

Control Measures - The required performance criteria defined by the organisation as being essential to pay progression

Significant Weakness - *'Significant weaknesses are those which prevent a staff member from continuing to apply consistently, across a recognised normal workload, the knowledge and skills specified under the post outline, without continued supervision and support inappropriate to the post'.*

7 ROLES / RESPONSIBILITIES / DUTIES

7.1 CSU Workforce Team

The CSU Workforce Team is responsible for;
- Providing advice and guidance in relation to the application of this policy
- Advising the CCG as to any required amendments to the policy or procedure
- Providing reports to the CCG on the completion of mandatory and statutory training, professional registration and incremental dates.

7.2 Senior Management Team (SMT)

The Senior Management Team is responsible for;
- Setting and communicating organisational control objectives
- Ensuring all staff receive regular supervision from line managers and arrangements are made during times of line managers' absences
- Ensuring the policy is applied is a consistent and equitable manner
- Reviewing the application of this policy.

7.3 Line Managers

Line managers are responsible for;
- Ensuring this policy and procedure is applied to all staff accountable to them for annual appraisals. It is the responsibility of the manager to ensure that they complete the CCG appraisal process, providing details of whether an employee is able to proceed through their pay increment or if a deferral needs to take place
- Conducting annual appraisals/development reviews and ensuring that they have access to regular reports giving the names of their staff and their incremental date
- Ensuring they have the appropriate knowledge and skills and have attended suitable training to correctly apply this policy and procedure including equality training
- Making decisions to defer incremental pay progression where appropriate.

7.4 Employees

Employees are responsible for;

- Raising awareness of their incremental date with their line manager a minimum of four months prior to their incremental date thus ensuring a date is agreed for their appraisal 3 months prior to the incremental date
- Engaging with all aspects of the appraisal system as a failure to take part without good cause could result in their incremental progression being deferred for a period.

8   IMPLEMENTATION

8.1   To support the initial implementation of this policy awareness sessions will be provided as required by the CSU Workforce Team. Once approved this policy will be implemented across the CCG and used by all staff as defined in the scope of this policy.

8.2   Any attempts to use this policy maliciously may be investigated and may result in the matter being treated as a disciplinary offence under the CCG's disciplinary procedure.

This policy will be communicated to staff via team meetings/team brief and will be available for staff on the intranet.

8.3   Breaches of this policy may be investigated and may result in the matter being treated as a disciplinary offence under the CCGs disciplinary procedure.

9   TRAINING & AWARENESS

9.1   This policy will be available to all staff on the CCG intranet. Training needs will be identified via the appraisal process and training needs analysis. Guidance on the application of this policy can be sought from other CCG colleagues and the CSU Workforce Team.

10   MONITORING & AUDIT

10.1   The implementation of this policy will be audited on an annual basis by the CCG and reported to CCG Governing Body.

11   POLICY REVIEW

11.1   The policy and procedure will be reviewed after 3 years for the CCG Governing Body in conjunction with Trade Union representatives. Where review is necessary due to legislative change, this will happen immediately.

12   REFERENCES

- Agenda for Change Terms and Conditions of Service Handbook
- NHS BSA Ongoing Review and Objectives Policy
- NHS Incremental Pay Progression Policy
- NHS Knowledge and Skills Framework and the Development Review Process
- Disciplinary Policy
- Managing Work Performance Policy
- Professional Registration Policy
- Training and Development Policy
- Statutory and Mandatory Framework

- The NHS Staff Council Additional Staff Council FAQs for England
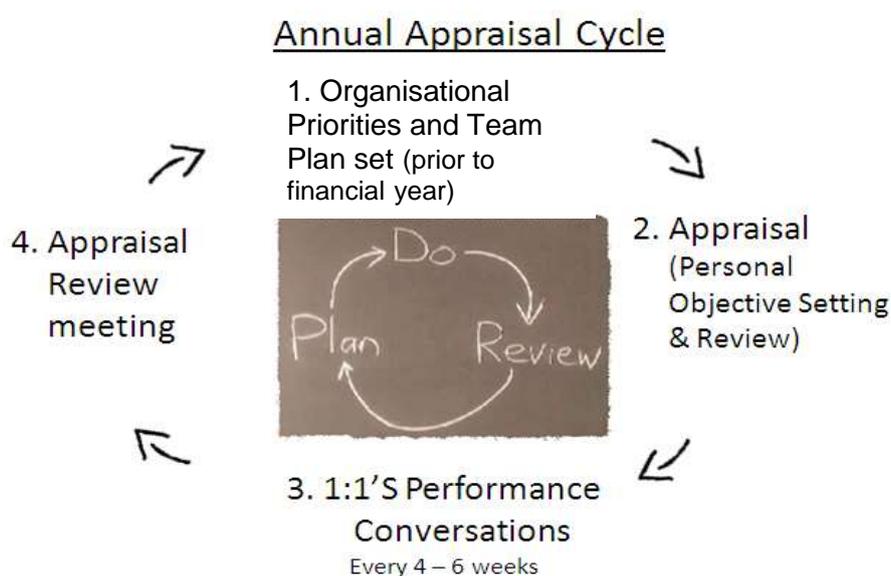
13   ASSOCIATED DOCUMENTATION

- NHS Core Competencies
- Managers Guide to Performance Appraisal
- Performance Appraisal Toolkit

14   PROCEDURE

14.1   Appraisal Cycle

14.1.1 At the start of the appraisal process an individual should meet with their line manager, or other appropriate senior manager, to set their performance objectives and record these in the Performance Appraisal Toolkit. This is usually a one off meeting that should occur when an employee commences in their role or to commence the implementation of the CCG's Objective Setting and Review Policy and Procedure. After this initial meeting all further discussions should take place within the usual appraisal cycle. Figure 1 shows the annual appraisal cycle.

Figure 1

Annual Appraisal Cycle

1. Organisational Priorities and Team Plan set (prior to financial year)

4. Appraisal Review meeting

2. Appraisal (Personal Objective Setting & Review)

3. 1:1'S Performance Conversations
Every 4 – 6 weeks

14.1.2 Where an individual's post has been re-graded under Agenda for Change and this has resulted in a different band the objectives should be revised and set again and the cycle starts from the beginning.

14.1.3 For an individual who joins the CCG from another NHS employer on the same band, therefore retaining their existing increment date, they will be set objectives upon joining the CCG and their performance will also be managed in accordance with the relevant probationary period policy. If their next incremental date is due within 6 months of joining the CCG they will automatically proceed through their next incremental point and the objectives will carry forward to the first full appraisal cycle. If there is longer than 6 months between their start date and incremental date then a Major Appraisal should be held prior to their incremental date as with existing employees.

14.2   Ongoing Management & Review

Managers should hold one-to-one meetings with all employees on a regular basis. It is recommended that meetings are held every four to six weeks (or within locally agreed departmental time frames where appropriate).

14.3   Performance and Disciplinary issues

Should a performance or disciplinary matter arise this should be managed in accordance with the CCG's performance or disciplinary policy in the first instance. It is usual for disciplinary matters to be managed separately to this policy apart from in exceptional circumstances where they are highly relevant to performance. Where there is an outstanding performance issue, and/or in exceptional circumstances a disciplinary matter, the formal meetings should discuss the performance/ disciplinary process(es) being used to address the issue and progress being made towards achieving the set objectives. The matter should not be wholly managed under this policy.

14.4 Major Appraisal Review

Each year every individual will have a Major Appraisal Review. This should take place 6-12 weeks ahead of the individual's incremental date/ anniversary. The purpose of this meeting is to review the previous year's performance, confirm any impact this will have on the individual's pay and set objectives for the next year. These objectives will include work related performance objectives, behavioural targets and organisational control measures.

The whole review period should be assessed, rather than recent events, ensuring there is timely recognition of accomplishment or feedback on poor performance. Any issues of performance, competencies or skills should be raised well in advance of the On-Going Review & Objectives meeting and line managers should ensure there are no surprises at the review.

14.5 Deferral of Pay Progression and Withdrawal of Annually Earned increments

Pay progression may be deferred for one of more of the following reasons:

I. <u>Failure to achieve the CCG's Control Measures</u>- the CCG has control measures which are must do's for all staff. These may change dependant on the needs of the organisation but will always be clearly communicated to all staff and this will be documented. As a minimum the Control Measures include completion of all mandatory and statutory training and completion of time recording. The checklist in the Performance Appraisal toolkit should be used to identify the control measures applicable to each individual. Deferral of Pay or withdrawal of an annually earned increment will be automatic for this reason, and failure to achieve the control measures may result in action being taken under the CCG's Policy on Managing Performance at Work.

II. <u>As an outcome from a Disciplinary Hearing</u>- In accordance with the CCG's Disciplinary Policy an individual's pay progression may be deferred, or an annually earned pay point (bands 8c-9) may be withdrawn, as an outcome of a disciplinary hearing. For this to take place this must be determined by the disciplinary panel and the disciplinary offence must be highly relevant to the individual's performance. Deferral of Pay or withdrawal of an annually earned increment will be automatic for this reason. It is normally expected that disciplinary matters are separate to and will have no impact on pay progression, or retention of annual earned increments.

III. <u>Failure to perform satisfactorily against Performance and Behavioural Objectives</u>- the Performance Appraisal Toolkit should identify objectives for each individual that are relevant to organisational objectives, the individual's role and the Core Competency Framework. Failure by an individual to perform

in the role to a satisfactory level in line with the Performance and Behavioural Objectives may result in action being taken under the CCG's Policy on Managing Performance at Work in addition to pay progression being deferred or an annually earned increment being withdrawn. For pay progression to be deferred or an annual increment withdrawn for this reason the principles set out in section 6 of this procedure must be applied.

14.6   Principles for determining that there has been a failure to perform satisfactorily against Performance and Behavioural Objectives:

14.6.1 Pay progression should not be deferred on performance grounds unless there has been a prior documented discussion between the individual and the manager regarding failure to meet the required level of performance and the employee has been given a reasonable opportunity, minimum of 3 months, to demonstrate the required improvement before the decision on pay progression is taken.
The action plan should:
- outline any training or development programmes that should be attended
- state timescales to reflect the work required
- set out review periods
- clearly identify the personal development objectives/core competency dimension (or locally agreed framework) and levels of performance to be achieved

14.6.2 It would normally be expected that if there is a failure to perform satisfactorily against Performance and Behavioural Objectives that is significant enough to impact on pay then the CCG's Policy on Managing Performance at Work Performance Policy will also be being implemented.

14.6.3 Where training and development needs have been agreed at previous meetings and have not been actioned by the CCG, the line manager must not use these issues as a means to defer pay progression.

14.6.4 If there is a failure to meet the required level of performance, after the employee has been given support and a reasonable opportunity to demonstrate improvement then they will not be entitled to progress up the pay band for that given year.

14.6.5 In cases where there is deferral of pay progression it is advised that the manager discuss the case with their line manager and a member of Human Resources.

14.7   Deferring Pay Progression

14.7.1 Communication and Administration

When a decision has been made to defer pay progression the individual will be informed of this during the Major Appraisal Review. They will be advised of the reason why as detailed in section 5. The line manager will advise the individual of their right of appeal, as in section 8. A variation form HR4 should be completed by the line manager and signed by the individual to advise the Workforce Information Team to administer the change.

14.7.2 Impact of Decision

For staff in pay bands 1-8B and within the first 4 pay points in bands 8C-9 the decision to defer their increment will mean their incremental rise will be deferred for 1 year. This is subject to satisfactory performance over the next year and should performance not be satisfactory it may be deferred again.

14.7.3 Arrangements for staff in Pay Bands 8C, 8D and 9

Progress on the annually earned increments is subject to the same reasons as defined in section 5 of this procedure. These arrangements apply to all pay points in these pay bands. In addition to this retention of the top 2 points in each band is not automatic. If someone meets the reasons defined in section 5 of the procedure and have been in receipt of one of the top 2 incremental points within their band, not only will they not progress further but they will also move down one increment.

The last two pay points in pay bands 8c, 8d and 9 (the annually earned points) awarded after 1st April 2014 will not be subject to pay protection. Where an employee is down banded from a band 8c, 8d or 9 post and pay protection applies they shall receive the annually earned incremental point until the completion of the year they were receiving the entitlement. At the normal review date the protection no longer applies.

14.8   Appeal

Any individual who wishes to raise an appeal against a decision to defer their pay progression or withdraw an annually earned pay award should do so in writing within 5 working days of the Major Appraisal Review. Appeals should happen as near to the deferral of the increment as possible allowing for time to prepare a case against any decision. The appeal should be heard by someone more senior than the line manager deferring the increment, where possible avoiding a "Grandparent" decision by the line manager's manager. The appeal meeting will take the form of a hearing where the line manager presents the rationale for their decision and the individual has the opportunity to respond. The manager hearing the appeal should be supported by a Workforce Representative. The appeal should be heard prior to the incremental date. If this is not possible to hold the appeal review prior to the incremental date then the increment should be put 'on hold' until the appeal has been considered.

The Grievance Policy will apply to staff wishing to raise a complaint about the application of this framework or local procedures.

14.9   Missed Review Meetings

14.9.1 Where a Major Appraisal Review meeting or other review meeting has been missed the meeting should be reorganised at the earliest opportunity.

14.9.2 If a Major Appraisal Review is missed and this is caused by the line manager not arranging the meeting the employee will automatically advance through incremental pay progression or will automatically gain an annual earned increment. In the prolonged absence of the line manager an alternative manager should conduct the meeting.

14.9.3 Staff on Secondment

Employees who are on short term (less than six months) secondment or are acting into another post should continue to be assessed against the objectives of their substantive role.

Employees who are on long term (more than six months) secondment should be assessed against the objectives for the seconded role through the secondment line management arrangements.

14.9.4 Maternity/ Paternity/ Adoption Leave

Where an employee is on maternity/paternity/adoption leave, the employee will still receive their incremental pay progression on the due date unless any concerns have previously been raised about their performance or that they were not demonstrating the required knowledge and skills. Managers should obtain expert advice from Workforce on the potential risks associated with withholding increments in these circumstances and any decision should be subject to regular review.

14.9.5 Sickness

Should an employee be absent due to sickness resulting in a Major Appraisal Review being missed they will gain their next incremental rise or annually earned pay award. Upon their return to work the missed Major Appraisal Review will be held to determine what decision would have been made. Should it be determined that the individual's increment would have been deferred, then the next due increment will be deferred. Satisfactory or even excellent performance over the following review year will not reverse this decision.

Should an employee be absent due to sickness resulting in a Major Appraisal Review being missed their incremental rise or annually earned pay award will be frozen. Upon their return to work the missed Major Appraisal Review will be held to determine what decision would have been made and any changes resulting from the outcome will be backdated to the due incremental date. In cases of long term sickness absence the line manager may decide to award an increment without holding the Major Appraisal Review, in this event advice should be sought from the CSU Workforce team and the missed review should still be held on the individual's return to work.

Where an employee has been temporarily redeployed into a different role due to an industrial injury, it is expected that the employee will still receive their incremental pay progression as it would not be possible to appraise them against their substantive post.

14.9.6 Career Breaks

Career breaks are by definition the choice of the individual, therefore if a member of staff chooses to take a career break at any stage during their career their pay progression would be 'frozen' at the pay point they have achieved at their last working day. The member of staff therefore returns to work at the same pay point they left on. An appraisal would need to be undertaken within a few weeks of returning to identify what support they require to induct them back into the CCG and will also include an assessment of their training and development needs and setting and agreeing objectives.

14.10 TRANSITIONAL YEAR

In order to ensure a smooth and safe transition to this new incremental system, 2014-2015 will be a transitional year.   During this transition year, staff and managers will apply the appraisal process in "shadow form", i.e. agree appraisal objectives undertake the full appraisal process and discuss the impact on pay that would have

been, managers will fully complete the appropriate documentation for monitoring processes, but there will be no impact on pay linked to the appraisal. The policy will be applied fully from 1st April 2015.

15   APPENDICES

Appendix 1   Equality Impact Assessment
Appendix 2   Sustainability Impact Assessment

Appendix 1 Equality Impact Asessment

<table>
<tr><td colspan="2" style="background-color:black;color:white;font-weight:bold;text-align:center">1. Equality Impact Analysis</td></tr>
<tr><td>Policy / Project / Function:</td><td>Objective Setting and Review Policy and Procedure</td></tr>
<tr><td>Date of Analysis:</td><td>27.2.14</td></tr>
<tr><td>This Equality Impact Analysis was completed by: (Name and Department)</td><td>CSU Workforce Team</td></tr>
<tr><td>What are the aims and intended effects of this policy, project or function?</td><td>To define a systematic approach to objective setting, review and pay progression.</td></tr>
<tr><td>Please list any other policies that are related to or referred to as part of this analysis?</td><td>

Agenda for Change Terms and Conditions of Service Handbook
NHS BSA Ongoing Review and Objectives Policy
NHS Incremental Pay Progression Policy
NHS Knowledge and Skills Framework and the Development Review Process
Disciplinary Policy
Managing Performance at Work Policy
Professional Registration Policy
Learning and Development Policy
Statutory and Mandatory Framework
NHS Core Competencies
Managers Guide to Performance Appraisal
Performance Appraisal Toolkit

</td></tr>
<tr><td>Who does the policy, project or function affect?

Please Tick ✔</td><td>
Employees   ☒

Service Users   ☐

Members of the Public   ☐

Other (List Below)   ☐
</td></tr>
</table>

2. **Equality Impact Analysis: Screening**					
	Could this policy have a positive impact on…		Could this policy have a negative impact on…		Is there any evidence which already exists from previous (e.g. from previous engagement) to evidence this impact
	Yes	No	Yes	No	
Race	☐	☒	☐	☒	Positive Impact: The Policy provides a framework and justification to allow for pay progression. General information: The Policy does not in itself have an adverse impact on race. Nationally there has been a lack of NHS monitoring of the impact of performance appraisal on BME staff, but current national NHS guidance encourages the collection and analysis of this data. The policy relies on the fair and objective application of the performance process and the impact on BME staff should be monitored by the CCG in order to establish it is complying with the Public Sector Equality Duty. (See action plan)
Age	☒	☐	☒	☐	Positive Impact: Indirectly there is a likelihood that the older a person is the more chance there is they have been in post longer and could already be at the top of their band. This means that older people could experience positive impact as increments cannot therefore be deferred. This is a direct result of implementing nationally agreed Terms and Conditions of Employment and is outside the control of the CCG. Negative impact: Younger people would experience negative impact during the early years of this policy's existence. Overall age impact neutral - see assessment test

					General information Having a justified reason for movement up the incremental scale other than length of service should reduce the risk of age discrimination. The policy relies on the fair and objective application of the performance process and the impact on staff should be monitored by the CCG in order to establish it is complying with the public Sector Equality Duty. (see action plan)
Sexual Orientation	☒	☐	☐	☒	Positive Impact The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on staff in terms of their sexual orientation. The policy relies on the fair and objective application of the performance process and the impact on staff in this protected group should be monitored by the CCG. (See action plan)
Disabled People	☒	☐	☒	☐	Positive Impact: The Policy recognises the specific requirements to make 'reasonable adjustments' when employees who are disabled or become disabled, have notified their employer. This includes the protection from discrimination arising from disability (Equality Act 2010). (Section 4, Scope refers 'in line with the Equality Act 2010, this policy is to be applied equitably and fairly. Individual specific requirements related to a particular need will always be considered by line managers and met with discretion'). The Policy provides a framework and justification to allow for pay progression. General information

					The policy does require that the Equality Act is followed and that training and support is available from staff who can support Line Managers with professional advice. To ensure that employees are not adversely affected by the policy, the action plan should be followed. The policy relies on the fair and objective application of the performance process and the impact on staff in this protected group should be monitored by the CCG. (See action plan)
Gender	☒	☐	☐	☒	Positive impact: The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on gender. General information: The gender pay gap across the public sector is 13.6 per cent. 79.79% of the staff employed in the CCG are female. The system of monitoring the policy should ensure that the application of the policy delivers similar outcomes for men and women (see action plan)
Transgender People	☒	☐	☐	☒	Positive impact: The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on Transgender staff. The policy relies on the fair and objective application of the performance process and the impact on this protected group should be monitored by the CCG. (See action plan)
Pregnancy and Maternity	☒	☐	☐	☒	Positive impact: The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on staff who are pregnant or on maternity leave. The policy relies on the fair and objective application of the performance process and the impact on this protected group should be monitored by the CCG.

					(See action plan)
Marital Status	☒	☐	☐	☒	Positive impact: The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on the basis of marital status. The policy relies on the fair and objective application of the performance process and the impact on this protected group should be monitored by the CCG. (See action plan)
Religion and Belief	☒	☐	☐	☒	Positive Impact: The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on the basis of religion or belief. The policy relies on the fair and objective application of the performance process and the impact on this protected group should be monitored by the CCG. (See action plan)
Reasoning	Generally the provision of a structured framework to allow for pay progression rather than length of service should reduce the risk of discrimination against any protected group. However, the application of the process has to be fair and consistent in order to achieve the required outcomes. This can be monitored using analysis of pay band data in each protected group pre and post implementation (conclusions drawn should take account of the small numbers of staff in the CCG). Any individual grievances and appeals should be carefully monitored. Where there is a concern about pay progression, the CCG should undertake an Equal Pay Audit.				
If there is no positive or negative impact on any of the Nine Protected Characteristics go to Section 7					

3. **Equality Impact Analysis: Local Profile Data**	
Local Profile/Demography of the Groups affected (population figures) as at January 2014	
General	Total number of employees in the CCG is 94
Age	63.84% of staff are aged 30-55 21.27% of staff are over 55 14.89% of staff employed are under 30
Race	87.24% of staff employed in the CCG declared themselves White 9.58% of staff are not stated/undefined 1.06% of staff declared themselves Black 1.06% of staff declared themselves Mixed 1.06% of staff declared themselves Other
Sex	79.79% of staff employed are female 20.21% of staff employed are male
Gender reassignment	No information
Disability	82.98% of staff employed declared themselves as having no disability 17.02% of staff did not declare /undefined 0% of staff declared a disability
Sexual Orientation	65.96% of staff described themselves as heterosexual 32.98% did not wish to respond /undefined 1.06% described themselves as bisexual
Religion, faith and belief	Christianity is the largest religious group declared by staff in the CCG (55.32%) 34.05% were undefined or did not wish to declare 10.63% of staff declared other faith or religious beliefs
Marriage and civil partnership	62.77% of employees are married 21.28% of employees are single 7.45% of employees are divorced 4.26% of employees were undefined or did not wish to declare 2.12% of employees were legally separated 1.06% of employees are in a civil partnership 1.06% of employees were widowed
Pregnancy and maternity	No information yet as the CCG has not been established long enough to build meaningful data

4. **Equality Impact Analysis: Equality Data Available**	
Is any Equality Data available relating to the use or implementation of this policy, project or function? Equality data is internal or external information that may indicate how the activity being analysed can affect different groups of people who share the nine *Protected Characteristics* – referred to hereafter as *'Equality Groups'*. Examples of *Equality Data* include: (this list is not definitive) 1. Application success rates *Equality Groups* 2. Complaints by *Equality Groups* 3. Service usage and withdrawal of services by *Equality Groups* 4. Grievances or decisions upheld and dismissed by *Equality Groups* 5. *Previous EIAs*	Yes local and national employment and population data No ☐ Where you have answered yes, please incorporate this data when performing the *Equality Impact Assessment Test* (the next section of this document).
List any Consultation e.g. with employees, service users, Unions or members of the public that has taken place in the development or implementation of this policy, project or function	National Consultation with Trade Unions regarding pay progression criteria which is part of standard terms and conditions and is the element that could cause indirect discrimination. Locally staff will have opportunity to contribute to its development and the policy will be subject to approval from local staff side although there is no authority locally to alter national T's and C's.
Promoting Inclusivity How does the project, service or function contribute towards our aims of eliminating discrimination and promoting equality and diversity within our organisation	Generally the provision of a structured framework to justify progression rather than length of service should reduce the risk of discrimination against any protected group and should therefore contribute to promoting equality and diversity in the organisation

5. Equality Impact Analysis: Assessment Test

What impact will the implementation of this policy, project or function have on employees, service users or other people who share characteristics protected by *The Equality Act 2010* ?

Protected Characteristic:	No Impact:	Positive Impact:	Negative Impact:	Evidence of impact and if applicable, justification where a *Genuine Determining Reason* exists
Gender (Men and Women)		✓		Positive impact: The Policy provides a framework to allow for pay progression. Positive impact: The Policy does not in itself have an adverse impact on gender. General information: The gender pay gap across the public sector is 13.6 per cent. 79.79% of the staff employed in the CCG are female. The system of monitoring the policy should ensure that the application of the policy delivers similar outcomes for men and women (see action plan)
Race (All Racial Groups)	✓			Neutral Impact: The Policy provides a framework and justification to allow for pay progression. General information: The Policy does not in itself have an adverse impact on race. Nationally there has been a lack of NHS monitoring of the impact of performance appraisal on BME staff, but current national NHS guidance encourages the collection and analysis of this data. The policy relies on the fair and objective application of the performance process and the impact on BME staff should be monitored by the CCG in order to establish it is complying with the public Sector Equality Duty. (See action plan) 2.12% of the staff are non-white.
Disability (Mental and Physical)		✓	✓	Positive Impact: The Policy recognises the specific requirements to make 'reasonable adjustments' when employees who are disabled or become disabled, have notified their employer. This includes the

				protection from discrimination arising from disability (Equality Act 2010). (Section 4, Scope refers 'in line with the Equality Act 2010, this policy is to be applied equitably and fairly. Individual specific requirements related to a particular need will always be considered by line managers and met with discretion'). The Policy provides a framework and justification to allow for pay progression. General information The policy does require that the Equality Act is followed and that training and support is available from staff who can support Line Managers with professional advice. To ensure that employees are not adversely affected by the policy, the action plan should be followed. The policy relies on the fair and objective application of the performance process and the impact on staff in this protected group should be monitored by the CCG. (See action plan)
Religion or Belief		✓		Positive Impact: The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on the basis of religion or belief. The policy relies on the fair and objective application of the performance process and the impact on this protected group should be monitored by the CCG. (See action plan)
Sexual Orientation (Heterosexual, Homosexual and Bisexual)		✓		Positive Impact The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on staff in terms of their sexual orientation. The policy relies on the fair and objective application of the performance process and the impact on staff in this protected group should be monitored by the CCG. (See action plan)

What impact will the implementation of this policy, project or function have on employees, service users or other people who share characteristics protected by *The Equality Act 2010* ?				
Protected Characteristic:	**No Impact:**	**Positive Impact:**	**Negative Impact:**	**Evidence of impact and if applicable, justification where a *Genuine Determining Reason* exists**
Pregnancy and Maternity		✓		Positive impact: The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on staff who are pregnant or on maternity leave. The policy relies on the fair and objective application of the performance process and the impact on this protected group should be monitored by the CCG. (See action plan)
Transgender		✓		Positive impact: The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on Transgender staff .The policy relies on the fair and objective application of the performance process and the impact on this protected group should be monitored by the CCG. (See action plan)
Marital Status		✓		Positive impact: The Policy provides a framework to allow for pay progression. The Policy does not in itself have an adverse impact on the basis of marital status. The policy relies on the fair and objective application of the performance process and the impact on this protected group should be monitored by the CCG. (See action plan)
Age	✓			Positive Impact: Indirectly there is a likelihood that the older a person is the more chance there is they have been in post longer and could already be at the top of their band. This means that older people could experience positive impact as increments cannot therefore be deferred .This is a direct result of implementing nationally agreed Terms and Conditions of Employment and is

				outside the control of the CCG.
				Negative impact: Younger people would experience negative impact during the early years of this policy's existence. Overall impact on age - neutral
				General information Having a justified reason for movement up the incremental scale other than length of service should reduce the risk of age discrimination.
				The policy relies on the fair and objective application of the performance process and the impact on staff should be monitored by the CCG in order to establish it is complying with the public Sector Equality Duty. (see action plan)

6. Action Planning

As a result of performing this analysis, what actions are proposed to remove or reduce any risks of adverse outcomes identified on employees, service users or other people who share characteristics protected by *The Equality Act 2010* ?

Identified Risk:	Recommended Actions:	Responsible Lead:	Completion Date:	Review Date:
The policy relies on the fair and objective application of the performance process. This can be measured by data monitoring	The effect on protected groups should be established by analysing baseline workforce data and then subsequent workforce data once the new policy has been implemented.	HR Lead	To be monitored one year from implementation and then annually	
The policy relies on the fair and objective application of the performance process.	Monitor and reporting of complaints/ grievances or survey/confidential feedback from employees	HR Lead	Ongoing	
The policy relies on the fair and objective application of the performance process.	Equal Pay Audit if required post implementation review	HR Lead	To be monitored one year from implementation and then annually	

7. Equality Impact Analysis Findings				
Analysis Rating:	Red	Red/Amber	✓ Amber	Green
Equality Impact Findings (continued):				
		Actions	Wording for Policy / Project / Function	
Amber **Adjust the Policy**	As a result of performing the analysis, it is evident that a risk of discrimination (as described above) exists and this risk may be removed or reduced by implementing the actions detailed within the *Action Planning* section of this document.	**The policy can be published with the EIA** The policy can still be published but the Action Plan must be monitored to ensure that work is being carried out to remove or reduce the discrimination. Any changes identified and made to the service/policy/ strategy etc. should be included in the policy. Another EIA must be completed if the policy is changed, reviewed or if further discrimination is identified at a later date.	As a result of performing the analysis, it is evident that a risk of discrimination (as described above) exists and this risk may be removed or reduced by implementing the actions detailed within the *Action Planning* section of this document. ***[Insert what the discrimination is and what work will be carried out to reduce/eliminate the risk]***	
Green **No major change**	As a result of performing the analysis, the policy, project or function does not appear to have any adverse effects on people who share *Protected Characteristics* and no further actions are recommended at this stage.	**The policy can be published with the EIA** Another EIA must be completed if the policy is changed, reviewed or if any discrimination is identified at a later date	As a result of performing the analysis, the policy, project or function does not appear to have any adverse effects on people who share *Protected Characteristics* and no further actions are recommended at this stage.	

Brief Summary/Further comments	As a result of performing the analysis, it is evident that a risk of discrimination (as described above) exists and this risk may be removed or reduced by implementing the actions detailed within the *Action Planning* section of this document.

Approved By		
Job Title:	Name:	Date:
Chief Officer	Simon Cox	12.08.2014

Appendix 2 Sustainability Impact Assessment

Sustainability Impact Assessment

Staff preparing a policy, Governing Body (or Sub-Committee) report, service development or project are required to complete a Sustainability Impact Assessment (SIA). The purpose of this SIA is to record any positive or negative impacts that this is likely to have on sustainability.

Title of the document	Objective Setting and Review Policy and Procedure
What is the main purpose of the document	To define a systematic approach to objective setting, review and pay progression
Date completed	02/05/14
Completed by	CSU Workforce

Domain	Objectives	Impact of activity Negative = -1 Neutral = 0 Positive = 1 Unknown = ? Not applicable = n/a	Brief description of impact	If negative, how can it be mitigated? If positive, how can it be enhanced?
Travel	Will it provide / improve / promote alternatives to car based transport? Will it support more efficient use of cars (car sharing, low emission vehicles, environmentally friendly fuels and technologies)? Will it reduce 'care miles' (telecare, care closer) to home? Will it promote active travel (cycling, walking)? Will it improve access to opportunities and facilities for all groups?	n/a		

Procurement	Will it specify social, economic and environmental outcomes to be accounted for in procurement and delivery? Will it stimulate innovation among providers of services related to the delivery of the organisations' social, economic and environmental objectives? Will it promote ethical purchasing of goods or services? Will it promote greater efficiency of resource use? Will it obtain maximum value from pharmaceuticals and technologies (medicines management, prescribing, and supply chain)? Will it support local or regional supply chains? Will it promote access to local services (care closer to home)? Will it make current activities more efficient or alter service delivery models	n/a		
Facilities Management	Will it reduce the amount of waste produced or increase the amount of waste recycled? Will it reduce water consumption?	n/a		

Workforce	Will it provide employment opportunities for local people? Will it promote or support equal employment opportunities? Will it promote healthy working lives (including health and safety at work, work-life/home-life balance and family friendly policies)? Will it offer employment opportunities to disadvantaged groups?		Positive impact: The Policy provides a framework to allow for pay progression. Positive Impact: Indirectly there is a likelihood that the older a person is the more chance there is they have been in post longer and could already be at the top of their band. This means that older people could experience positive impact as increments cannot therefore be deferred . Negative impact: Younger people would experience negative impact during the early years of this policy's existence.	The policy relies on the fair and objective application of the performance process. This can be measured by data monitoring and by Monitoring and reporting of complaints/ grievances or survey/confidential feedback from employees. This is a direct result of implementing nationally agreed Terms and Conditions of Employment and is outside the control of the CCG. Having a justified reason for movement up the incremental scale other than length of service should reduce the risk of age discrimination.
Community Engagement	Will it promote health and sustainable development? Have you sought the views of our communities in relation to the impact on sustainable development for this activity?	n/a		

Buildings	Will it improve the resource efficiency of new or refurbished buildings (water, energy, density, use of existing buildings, designing for a longer lifespan)? Will it increase safety and security in new buildings and developments? Will it reduce greenhouse gas emissions from transport (choice of mode of transport, reducing need to travel)? Will it provide sympathetic and appropriate landscaping around new development? Will it improve access to the built environment?	n/a		
Adaptation to Climate Change	Will it support the plan for the likely effects of climate change (e.g. identifying vulnerable groups; contingency planning for flood, heat wave and other weather extremes)?	n/a		
Models of Care	Will it minimising 'care miles' making better use of new technologies such as telecare and telehealth, delivering care in settings closer to people's homes? Will it promote prevention and self-management? Will it provide evidence-based, personalised care that achieves the best possible outcomes with the resources available? Will it deliver integrated care, that co-ordinate different elements of care more effectively and remove duplication and redundancy from care pathways?	n/a		