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The primary aim of this procedure is to provide a framework within which the Company can work with employees to maintain satisfactory performance standards and to encourage improved performance where necessary. The Company recognises the difference between a deliberate or careless failure on the part of an employee to perform to the standards of which he or she is capable (in which case the Company will use the disciplinary procedure) and a case of incapability, where the employee is lacking in knowledge, skill or ability and so cannot perform to the standard required (in which case the Company will use this capability procedure in an attempt to improve the employee's performance).

The Company also recognises that during an employee's employment his or her capability to carry out his or her duties may deteriorate. This can be for a number of reasons, the most common ones being that either the job changes over a period of time and the employee fails to keep pace with the changes or the employee changes and can no longer cope with the work.

This capability procedure is entirely non-contractual and does not form part of an employee's contract of employment.


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 of the employee, identifying areas of concern, establishing the likely causes of poor performance, identifying any training or supervision needs, setting targets for improvement and agreeing a timescale for review. However, in cases where informal discussion with the employee 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 carried out.

At all stages the Company will give consideration to whether the unsatisfactory performance is related to a disability and, if so, whether there are any reasonable adjustments that could be made to the requirements of the employee's job or other aspects of the working arrangements.

The Company will notify the employee in writing of the concerns over performance and will invite the employee to a performance review meeting to discuss the matter. The Company will provide sufficient information about the poor performance and its possible consequences to enable the employee to prepare to answer the case. This will include the provision of copies of written evidence where appropriate.

Having given the employee reasonable time to prepare their case, a formal capability meeting will then take place, conducted by a member of the HR department, at which the employee will be given the chance to state his or her case, accompanied if requested by a trade union official, a trade union representative or a fellow employee of their choice. The employee must make every effort to attend the meeting.

The purposes of the performance review meeting include: to set out the required standards that the Company considers the employee has not met, to establish the likely causes of poor performance (including any reasons why any measures taken so far have not led to the required improvement) and to allow the employee the opportunity to explain the poor performance and to ask any relevant questions. Except in the case where dismissal is proposed, the purposes of the performance review meeting also include: to discuss measures, such as additional training or supervision, which may improve the employee's performance, to set targets for improvement and to set a reasonable timescale for review (reflecting the circumstances of the case). In a case where dismissal is

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proposed, the purposes of the performance review meeting also include: to establish whether there are any further steps that could reasonably be taken to rectify the employee’s poor performance, to establish whether there is any reasonable likelihood of the required standards of performance being met within a reasonable time and to discuss whether there is any practical alternative to dismissal, such as redeployment to any suitable available job at the same or lower grade.

Please note that it is prohibited for employees to record (whether covertly or otherwise) the proceedings at the performance review meeting, and at any appeal meeting, without the express permission of the Company. If the Company discovers that an employee has done this covertly, he or she could be subject to disciplinary action.

Following the performance review meeting, the Company will decide whether or not formal performance action is justified and, if so, the employee will be informed in writing of the Company’s decision in accordance with the stages set out below and notified of his or her right to appeal against that decision.

**Stage 1: Performance warning**


The employee will be given a formal PERFORMANCE WARNING. This will set out the areas in which the employee has 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 the employee’s performance, a timescale for review and the likely consequences of failing to improve to the required standards within the review period. The performance warning will be recorded and remain on your file but will be disregarded under this procedure after six months, subject to satisfactory performance.

The employee’s performance will be monitored and, at the end of the review period, the Company will write to the employee to advise him or her of the next step. If the Company is satisfied with the employee’s performance, no further action will be taken. If the Company is not satisfied with the employee’s performance, the matter may be progressed to Stage 2 or, if the Company feels that there has been a substantial but insufficient improvement, the review period may be extended.

**Stage 2: Final performance warning**

Failure to improve performance in response to the procedure so far, or a first instance of serious poor performance, will result in a FINAL PERFORMANCE WARNING being issued. This will set out the areas in which the employee has 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 the employee’s 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 performance warning will be recorded and remain on your file but will be disregarded under this procedure after twelve months, subject to satisfactory performance.

The employee’s performance will again be monitored and, at the end of the further review period, the Company will write to the employee to advise him or her of the next step. If the Company is satisfied with the employee’s performance, no further action will be taken. If the Company is not satisfied with the employee’s performance, the matter may be progressed to Stage 3 or, if the Company feels that there has been a substantial but insufficient improvement, the review period may be extended.

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### **Stage 3: Dismissal**

Failure to improve performance in response to the procedure so far will normally lead to DISMISSAL with appropriate notice. The Company may first consider redeploying the employee with his or her agreement to another available job at the same or lower grade which is more suited to his or her abilities. A dismissal decision will only be made after the fullest possible investigation. Dismissal can be authorised only by a senior manager or a Director. The employee will be informed of the reasons for dismissal, the appropriate period of notice, the date on which his or her employment will terminate and how the employee can appeal against the dismissal decision.

### **Appeals**

An employee may appeal against any decision under this capability procedure, including dismissal, to a Director of the Company within five working days of the decision. Appeals should be made in writing and state the grounds for appeal. The employee will be invited to attend an appeal meeting chaired by a senior manager or a Director.

At the appeal meeting, the employee will again be given the chance to state his or her case and will have the right to be accompanied by a trade union official, a trade union representative or a fellow employee of his or her choice.

Following the meeting, the employee will be informed in writing of the results of the meeting. The Company's decision on an appeal will be final.

### **Employees with short service**

This capability procedure does not apply to any employee who has been employed by the Company for less than two years.

### **Data protection and Confidentiality**

When processing information in connection with any investigation or subsequent stages of the capability procedure the Company will process any personal data in accordance with its data protection policy and any internal privacy notices in force at the relevant time. Inappropriate access or disclosure of this data will constitute a data breach and should be reported immediately to the Company's Data Protection Officer [Data representative] in accordance with the Company's data protection policy. All employees must treat as confidential any information communicated to them in connection with the capability procedure. Any data breach or breach of confidentiality may also lead to an investigation and potential sanctions under the Company's disciplinary procedure.

Reviewed :- 14<sup>th</sup> October 2025

S L Pickles  
Director  
Serendipity Healthcare Ltd.