



Policy 14

Capability Policy 2026/2027

14.1 Purpose

14.1.1 The purpose of this policy is to encourage and support employees in working to the best of their abilities.

14.1.2 The Company has high standards and therefore expects a high level of performance from employees. The Company is committed to providing adequate support and training to help employees to acquire the skills and knowledge necessary to carry out their responsibilities satisfactorily.

14.1.3 This policy aims to bring about an improvement in performance if employees can't achieve the standards expected. The policy covers where an employee "can't" do something as opposed to where they "won't" do something.

14.2 Status of this Policy

14.2.1 This policy applies to all employees, once they have completed their probationary period.

14.2.2 This policy does not give contractual rights to individual employees. The Company reserves the right to alter any of its terms at any time, although employees will be notified in writing of any changes.

14.3 General Principles

14.3.1 Informal action will be considered, where appropriate, to resolve minor instances of unsatisfactory performance.

14.3.2 No formal decision will be taken against employees under this procedure until he/she has been met with in a performance review meeting at each stage of the procedure to discuss the concerns.

- Employees will be informed clearly what the outcome of the meeting is and what they can expect to happen next.

14.3.3 For formal meetings, employees will be written to beforehand advising what will be discussed. Employees will also be provided with any supporting documentation before the meeting.

14.3.4 In some circumstances, it may be necessary to adjourn a meeting if further information is required or if time is needed to investigate an issue. A fair opportunity will be given to employees to consider any new information before the meeting is reconvened.

14.3.5 At all formal stages of the procedure employees will have the right to be accompanied by a work colleague or trade union official.

14.3.6 Employees will have the right to appeal against any formal action taken under this procedure. See Section 14.6 below.

14.3.7 The procedure may be implemented at any stage if considered appropriate, for example, where the underperformance is particularly serious or has particularly serious consequences; or where it is reasonably considered that all appropriate ways to assist staff to improve have been exhausted.

14.3.8 Records will be kept of any action taken under these capability procedures for as long as necessary, including cautions that are no longer in effect and disregarded in determining a future penalty. Wherever possible, these records will be treated as confidential.

14.4 Procedure

14.4.1 *Issue raised with the employee*

The Director will raise the issue of concern with the employee.

Informal action shall be considered where appropriate to resolve problems by way of guidance, counselling, instruction or informal cautioning.

Regular feedback will be given to employees on how they are doing and what areas, if any, need to be improved upon. The Director will do this informally as part of day-to-day management, and more formally during performance appraisals. Employees are expected to keep the Director informed of any difficulties they are having with performing their job so that assistance can be provided if necessary.

If informal action does not bring about an improvement, or if the underperformance is particularly serious or has particularly serious consequences, the employee will be advised that it is necessary to move to the formal stages of this procedure, as outlined in Section 14.4.2 below.

14.4.2 *Performance review meeting undertaken*

Employees must take all reasonable steps to attend a formal performance review meeting. If, without good cause, an employee is persistently unable or unwilling to attend, the Company will hear the matter in the absence of the employee and make a decision based on the information available.

Right to be accompanied in formal performance review meetings

In any formal performance review meeting under this policy, including appeals, the employee has a statutory right to make a reasonable request to be accompanied by a work colleague or trade union official of their choice.

An employee's companion may address the meeting to put up or sum up the employee's case or respond on the employee's behalf to any view expressed at the meeting. He or she may confer with the employee during the meeting but does not have the right to answer questions on the employee's behalf, address the meeting if the employee does not want him or her to do so, or prevent anyone from making his or her contribution to the meeting.

If an employee intends to be accompanied, he/she shall be requested to provide advance notice of this.

Stage 1: First Written Caution (File Note)

The employee will be invited to a meeting in which the Director will discuss concerns about performance. The Director will outline which aspects of performance are not satisfactory and explore if there are any specific causes. The employee will have the opportunity to explain their position.

As a result of this meeting, it may be decided that no further action is necessary under this procedure. If so, this will be confirmed in writing to the employee.

If, as a result of what is discussed at the meeting the Director retains the view that the employee is underperforming, the employee may be issued with a First Written Caution setting out a Performance Improvement Plan. This will normally remain valid for a period of 6 months (the review period), but a longer period may be stated in exceptional circumstances.

The contents of the improvement plan will be discussed with the employee and, where possible, agreed. A copy of this plan will be sent to the employee after the meeting, and he/she will be informed of the right to appeal against the outcome of the meeting.

The written caution and improvement plan will include the following information:

- a description of the ways in which performance is considered to be unsatisfactory;
- the action or improvement required;
- how performance will be monitored;
- any support or training that will be provided or any other changes that will be made to assist the employee;
- the timescales within which action is to be taken. Usually, employees will be given both short and long-term targets to achieve.
- the consequences if the required action is not taken, there is failure to improve or if there is a further drop in performance;
- the fact that a satisfactory level of performance must be maintained in other aspects of the job;
- when the caution will cease to have effect, subject to satisfactory performance.

Progress will be monitored throughout the review period with the employee. If, at the end of the review period, the Company is satisfied with performance, the employee will be informed in writing that no further action will be taken under this procedure.

However, if the employee fails to meet their targets for immediate improvement or fails to sustain the improvements required at any stage during the review period, then Stage 2 of this procedure will be initiated. The Company will also initiate Stage 2 if the employee seriously underperforms in any way during the currency of their Performance Improvement Plan.

Stage 2: Final Written Caution

In the event of continuing unsatisfactory performance, the Company will write to the employee asking him/her to attend a formal Stage 2 performance review meeting to discuss their performance. The employee will be given any relevant supporting documentation before the meeting.

At the meeting, the aspect(s) of performance that the Company are not satisfied with will be outlined and it will be explored with the employee if there are any specific causes. The employee will have the opportunity to explain their position.

As a result of this meeting, it may be decided that no further action is necessary under this procedure. If so, this will be confirmed in writing to the employee.

Alternatively, the employee may be issued with a Final Written Caution setting out a Performance Improvement Plan. This will normally remain valid for a period of 12 months (the review period), but a longer period may be stated in exceptional circumstances.

The caution and improvement plan will cover the same information as set out in a First Written Caution. The contents of the improvement plan will be discussed with the employee and, where possible, agreed. A copy of this plan will be sent to the employee after the meeting, and he/she will be informed of the right to appeal against the outcome of the meeting.

Progress will be monitored throughout the review period with the employee. If, at the end of the review period, the Company is satisfied with performance, the employee will be informed in writing that no further action will be taken under this procedure.

However, if the employee fails to meet their targets for immediate improvement or fails to sustain the improvements required at any stage during the review period, then Stage 3 of this procedure will be initiated. The Company will also initiate Stage 3 if the employee seriously underperforms in any way during the currency of their Performance Improvement Plan.

Stage 3 – Redeployment or Dismissal

Possible outcomes of Stage 3 of this procedure are redeployment or dismissal.

The Company will write to the employee asking him/her to attend a formal Stage 3 meeting to discuss their performance. The letter will explain how the employee has failed to meet the required standard and that two possible outcomes of the meeting are redeployment or dismissal. The employee will be given any relevant supporting documentation before the meeting.

The meeting will cover whether there are any further steps that could reasonably be taken to bring the employee's performance up to the standard required for their job. At the meeting the employee will be given the opportunity to put their case.

If performance has not improved and there is little evidence that any more time or support will make a significant difference, it may be decided that the Company cannot continue to employ the employee in their current job.

If so, the Company will consider whether there are any alternative roles in the Company that would suit the employee's skills for which they could apply. However, if within 4 weeks of the Stage 3 meeting the Company has been unable to find any suitable alternative jobs for the employee to apply for, if their applications are unsuccessful or if he/she does not agree to the new terms and conditions offered in connection with any alternative roles, the employee will be dismissed. Dismissal will normally be with full notice or payment in lieu of notice.

14.5 Relapsed performance

14.5.1 Following a successfully completed review period, it is expected that this level of performance be maintained. If the improvement in performance is not sustained, then the matter may be referred back to an appropriate stage of the procedure.

14.6 Appeals

14.6.1 An employee who wishes to appeal against any capability decision must do so in writing to the Director within 5 working days of the capability decision setting out the reasons for the appeal. Wherever possible, an external consultant will hear the appeal.

14.6.2 The appeal hearing may take place after the capability decision has taken effect. If the employee is appealing dismissal and the appeal is subsequently upheld, the employee will normally be treated as having continued in employment pending the hearing of the appeal and will be reinstated with back pay. However, if the appeal is not successful, the original date of dismissal will stand.

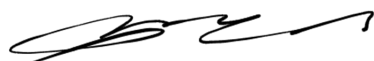
14.6.3 Employees have the right to be accompanied to an appeal hearing by a work colleague or a trade union official.

14.6.4 Following the appeal hearing, the outcome will be confirmed in writing. This will confirm the original decision, revoke the original decision, or substitute a different penalty. This decision will be final. In order to ensure the effectiveness of this document our Workforce Development policy will be reviewed annually.

Any further questions regarding guidelines in this policy then please contact one of the leadership team.

To ensure the effectiveness of this document our 'Capability' policy will be reviewed annually.

Signed:



Date: 2nd Sept 2026

Dan Palmer

Founder / Director