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<p>PAPER BOD 109/2011 (Agenda Item: 8)</p>
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**Report to the Meeting of the
Oxford Health NHS Foundation Trust
Board of Directors**

27 July 2011

Appraisal/PDR – Review Update

For: Approval

The acquisition of Community Health Oxfordshire (CHO) services into Oxford Health NHS FT has highlighted the need to address current shortfalls in the PDR / Appraisal process for the integrated organisation.

This report is provided to the Board for approval of:

1. The action plan to address the current shortfall in PDR/Appraisal Data accuracy and reporting
2. The review and implementation of the revised process

Report

The reporting arrangements on PDR had been improving within OH NHS FT over the last 2 years with an average take up of appraisals being stable at around 80% to 83% against the Trust target of 85%. Although not without some recording problems OH NHS FT's monitoring system has been able to provide the Board with some assurance of improvement. This was not the case for CHO as they had no central reporting / monitoring system and no systematic approach to local recording of appraisals / PDR.

In addition there have been several concerns raised about the current system/process and therefore the Director of HR/OD has undertaken a review to provide improvements to the current system to be applied to the whole Trust.

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Recommendation

The feedback to date from the pilot in Children's and Families Division has been positive and although the pilot is not yet complete it is expected that there will be only minor changes to the new system to outline in the final report at the end of August 2011.

The Board is therefore asked to note and support the changes to the PDR/Appraisal systems pending the final report and approve the plan to address the current shortfall in reporting / data quality.

Author and Title: Graeme Armitage Director of HR/OD
Lead Executive Director: Graeme Armitage Director of HR/OD

- 1. A risk assessment has been undertaken around the legal issues that this paper presents and there are no issues that need to be referred to the Trust Solicitors.*

Review of the Trust PDR/Appraisal Process – Interim Report July 2011

1. Introduction

The acquisition of Community Health Oxfordshire (CHO) services into Oxford Health NHS FT has highlighted the need to address current shortfalls in the PDR / Appraisal process for the integrated organisation. The reporting arrangements on PDR had been improving within OH NHS FT for the last 2 years with an average take up of appraisals being stable at around 80% to 83% against the Trust target of 85%. Although not without some recording problems OH NHS FT's monitoring system has been able to provide the Board with some assurance of improvement. This was not the case for CHO as they had no central reporting / monitoring system and no systematic approach to local recording of appraisals / PDR.

This being the case the Director of HR/OD has undertaken a review of both previous organisations systems / processes in order to address the following:

- Consolidate the reporting system for the whole Trust to provide the Board with an current and accurate performance data.
- Review the appraisal process and implement changes which provide an effective system to underpin the performance and development of all staff. This will lead to a new Trust target of 95% from April 2012.

The Learning and Development team have been implementing a plan since April 2011 to address the current shortfall in CHO reporting and also other issues identified in the OH NHS FT reporting i.e. the number of exclusions from the system. Consequently actions are in train to improve the current under or lack of reporting / accuracy of data and the review process is underway with the final report being completed by 31st August 2011. The outcome of the review will be an appraisal process which has:

- greater simplicity
- greater efficiency
- increased accountability of management
- a more tailored availability of support for managers
- greater achievement of appraisal completion rate
- greater quality of appraisals completed & supporting staff development

2. Reporting / Monitoring of the current arrangements

Having reviewed the current reporting arrangements with the Learning & Development team we had identified the significant issues in CHO (as outlined in the Introduction above) and those within OH NHS FT it has been imperative to give this priority whilst the more detailed review is taking place. Consequently this is now being tracked as part of the Trust performance reporting and the action plan at **Appendix A** to this report is provided to outline the steps taken to bring this back on track. It is expected that the reporting on the appraisal performance will be addressed by the end of September 2011.

3. Review of the current appraisal process

Having worked with the current PDR processes for over 2 years and speaking with directors, heads, managers, HR colleagues and employees of the Trust the findings are that the current PDR/Appraisal process within the Trust has the following shortcomings:

- Overly complex
- Lack of focus from some managers on the importance of appraisal
- Complexity of current PDR/Appraisal process creating additional unnecessary time and effort for both local and senior management
- Fragmented, complicated and time-consuming nature of current PDR/Appraisal system becoming an obstacle to effective team management delegation of appraisals and complaints of overloading (i.e. not enough time to complete the PDR/Appraisals required).
- PDR/KSF documentation overload becoming a barrier to understanding for local management and staff.
- Availability of appropriate PDR/KSF training and support.

In developing improvements to address these issues, account has been taken of other Trusts and industries' appraisal processes/systems. These include:

- NHS Trusts
- Private sector manufacturing companies
- Utility companies (previously publicly owned)
- Electrical engineering companies (specialising in large PFI contracts)

This has led to the revised documentation attached at **Appendix B**. The new process has been streamlined into 2 documents i.e. guidance and the appraisal documentation and is now being piloted within the Children and Families Division. In support of the systems implementation we have also introduced:

- Weekly meetings between the HR Manager (Children and Families Division) and the HR Director to review progress and consider any further changes which may be required. Once the system is finalised the aim will be to roll out the new system through the autumn across all divisions and corporate departments.
- The HR Manager has organised various 1-1 meetings with Divisional Directors, senior managers and clinicians in July in order to get input on proposals/changes and incorporate feedback, where useful, to assist with the final product/set of proposals.

In addition to changes to the documentation it is also proposed that a designated time frame is agreed for the completion of all annual appraisals. Consequently, all appraisals will take place every year over a period of 3 months beginning in March. This will allow those managers who wish to set objectives and undertake reviews at the end of the current year and those who prefer to wait until the beginning of the new financial year. In doing so we can ensure that all staff who should receive an appraisal will have done

so by the end of May each year and consequently meet the new Trust target of 95%. Once the process is finally agreed the new time frame will take effect from March 2012.

The revised time scale and additional actions as follows:

- a) Implementation of PDR/Appraisal Timetable within Divisions/Corporate, as outlined below:

1 st March - 15 th March (Year)	Employees given PDR/Appraisal forms by managers to complete their preparation for PDR/Appraisal (Managers would also arrange their own preparation, as appropriate, in this period also, if not before)
15 th March – 19 th May (Year)	Managers to complete PDR/Appraisal forms with staff
19 th May – 31 st May (Year)	Manager enters the date of the PDR/Appraisal on the Online Training Records
June (Year)	HR/Management review of Division/Corporate PDR/Appraisal's completion

- b) Streamlining of current PDR/Appraisal documents on intranet to the following (these will be accessed in 1 easily located area on the intranet):

- 1 PDR Form
- 1 PDR Policy
- 1 set of guidelines for appraisers and appraisee's (i.e. 'How to' guide)
- 1 Supervision document
- 1 KSF factsheet

NB: Currently there is a lack of clarity regarding the current documentation, it is not easily found and document control has not been effective)

- c) Removal of KSF gateway references within current PDR/Appraisal process. Performance below acceptable level to be dealt with within current Trust capability/disciplinary processes. ***(The decision to formally drop KSF is still subject to this review)***
- d) Divisional/Corporate management will be required to address non-compliant "red" areas as identified by the Learning & Development PDR/Appraisal reports, with report to Executive Board on actions taken.
- e) Annual NHS staff survey (completed October each year) to be used to identify areas of poor quality in PDRs.
- f) Learning & Development team PDR/Appraisal training days to be made available and advertised to all managers. This will be undertaken in partnership with the

HR teams supporting each division and corporate departments. The HR restructuring has been brought forward to support and facilitate this.

4. Recommendations

The feedback to date from the pilot in Children's and Families Division has been positive and although the pilot is not yet complete it is expected that there will be only minor changes to the new system to outline in the final report at the end of August 2011.

The Board is therefore asked to note and support the changes to the PDR/Appraisal systems pending the final report and approve the plan to address the current shortfall in reporting / data quality.

Graeme Armitage
Director of HR/OD
July 2011

Action/Task	Leading	Issues addressed	Timescale
Integrate staff details and cost centre hierarchy within Learning Management System	L&D	Ability to centrally report for new integrated trust	Completed
Data collection sheets issued to former CHO team/departments	L&D	No centrally recorded data	Completed
Complete and return data collection sheets	F/CHO team/departments	Captures locally recorded data	35% completed
Review	L&D and Divisional Performance Managers	Reviews outcomes/progress with Divisional Performance Managers	31 July 2011
Upload bulk data	L&D	Updates individual training records	35% completed
Identify line managers for receipt of monthly performance reports	L&D	Data verification and monthly monitoring	31 August
Develop online training records (OTR) system linked to Learning Portal	L&D	Enable team managers/administrators to enter PDR/Appraisal dates online	31 August
Issue User Guide for OTR	L&D	Enables ongoing maintenance of PDR/Appraisal	31 August
Maintenance PDR/Appraisal Data	Team/Department managers/administrators	Maintains data for performance reporting	30 September
Final Review	L&D and Divisional Performance Managers	Final review of outcomes/progress with Divisional Performance Managers	30 September

PERSONAL DEVELOPMENT REVIEW (PDR) POLICY

This Policy has been agreed between Oxfordshire & Buckinghamshire Mental Health Partnership NHS Trust and the recognised Trade Unions and has been adopted by the Trust as from 2007.

Director of Human Resources:
Graeme Armitage Date

Staff Side Lead:
Anthea Parsons Date

POLICY CONTROL DOCUMENT - 1

POLICY TITLE	Personal Development Review (PDR) Policy
POLICY CODE	
REPLACES POLICY CODE (IF APPLICABLE)	
AUTHOR (Name and title/role)	Joy Carter

TRUST BOARD SUB-COMMITTEE WHICH APPROVED ORIGINAL VERSION	
HR QIC	DATE OF APPROVAL 13TH JULY 2007
DATE OF NEXT REVIEW	3 YEARS

REVIEW HISTORY

COMMITTEE WHICH APPROVED REVISED VERSION	
	DATE
	DATE
	DATE
	DATE

CURRENT VERSION PLACED ON INTRANET	DATE
CURRENT VERSION HARD COPY DISTRIBUTED	DATE

CHAIR(S) OF APPROVING COMMITTEE

SIGNATURE(S)

TITLE(S)

DATE

POLICY CONTROL DOCUMENT - 2

NUMBER OF PAGES (EXCLUDING APPENDICES)	11
SUMMARY OF REVISIONS:	

All policies are copy controlled. When a revision is issued previous versions will be withdrawn. Uncontrolled copies are available but will not be updated on issue of a revision. An electronic copy will be posted on the Trust Intranet for information.

The master copy of this policy will be filed in the Human Resources Department

PERSONAL DEVELOPMENT REVIEW (PDR) POLICY

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1.0 INTRODUCTION – POLICY STATEMENT

A robust Personal Development Review (PDR) process can improve both the quality of care given to patients/service-users and the quality of working life. It increases mutual understanding between managers and individual staff and through having clearly defined roles and responsibilities, can help alleviate stress and lead to better working practices (West et al. 2002).

Oxfordshire & Buckinghamshire Mental Health Partnership NHS Trust (OBMH) is committed to ensuring that every member of staff will, on an annual basis, have a personal development review meeting with their Manager/Team Leader.

This will result in a set of objectives reflecting personal and organisational goals for the forthcoming year, a personal development plan (PDP) and, if necessary, an updated job description. This Personal Development Review (PDR) Policy has been based on the NHS Knowledge and Skills Framework (KSF) guidance, to make sure that everyone working in OBMH has the opportunity to learn, increase their competency and develop in their career if they so wish and have the ability.

As part of the PDP, continuing professional development (CPD)* will be discussed. OBMH is committed to supporting staff in their CPD and expects all qualified staff to undertake the necessary amount/levels of CPD as required in their profession.

(* CPD is a personal commitment to keeping professional knowledge up to date and improving capabilities throughout working life.)

2.0 SCOPE

- 2.1 This policy applies to all permanent employees including those on a fixed term contract or secondment of more than one year. It does not apply to medical and dental staff and Trust Executive Directors.
- 2.2 Temporary workers are not usually 'long term' employees. In principle, therefore, performance and development reviews do not need to be undertaken. However, for those who work for OBMH on a frequent basis, it is important that they have performance monitored and improved where necessary, and are given necessary training. This will ensure that OBMH maintains the high quality of its services and reduces risk.
- 2.3 The Knowledge and Skills Framework (KSF) applies to all NHS staff other than medical and dental staff and Trust Executive Directors (Agenda for Change Agreement 2004)
- 2.4 For other forms of secondment there should be a written agreement identifying who has responsibility for the PDR and KSF assessment. This should also specify the process for feedback to the NHS Trust as the employer on the Gateway Assessment.

3.0 AIMS AND OBJECTIVES

- 3.1 The purpose of PDR is to link the organisation's objectives with individual performance. This involves reviewing performance and future requirements in order to identify any development needs and the means through which they should be addressed.
- 3.2 Having reviewed performance against previously agreed objectives and the KSF outline and agreed new objectives for the coming year, those involved in the PDR will be able to identify any learning and development needs that have arisen. The aim is to develop professional and personal skills, which in turn will improve services to patients, and help achieve OBMH's objectives. The personal development planning process should also consider an individual's realistic career aspirations over the next few years. (Appendix A outlines process chart)
- 3.3 This Policy will ensure that staff are aware of their right to a regular PDR in order to:
- Know clearly what they are employed to do
 - Be made aware of the performance expected, in relation to the KSF outline identified for the post and Trust objectives
 - Be aware of how they are performing, in relation to the KSF outline and Trust objectives
 - Identify appropriate training and development to become more effective in their role
 - Have the opportunity to give feedback on their perception of their own and OBMH's performance.
- 3.4 One key aim of this Policy is to ensure that a formal dialogue takes place between a member of staff (reviewee) and their manager (reviewer). It provides both the reviewer and reviewee with the formal opportunity to acknowledge the successes and the progress achieved by the member of staff and also to discuss any concerns or areas for improvement.
OBMH is committed to the following schedule:

Staff Group	PDR Meeting
New staff and those transferring to new posts.	Within the induction period, typically in the first 3 months.
During first year in post	As above, and at the following intervals 6 months in post 10 months in post
After the first year in post	Formal review annually 2 Reviews at final Gateway Stage

- 3.5 PDRs must not be used to discipline employees. Issues which require disciplinary action, or which need to be considered under other HR policies, must be addressed when they occur and not left until the review meeting. If an individual's performance is of concern, it may be referred to at the review, but the review is not the process for

formally managing performance.

- 3.6 A formal PDR is not the only opportunity to review performance. It is expected that at regular individual one-to one's with the manager, staff will discuss their work and how it is going as well as any additional support and/or individual development needed.
- 3.7 This policy has clear links to other policies and guidelines, therefore it needs to be read in conjunction with:-
- National Agenda for Change, Terms and Conditions
 - The NHS Knowledge and Skills Framework (NHS KSF) and the Development Review Process
 - OBMH Trust Policies
 - OBMH PDR Process and Guidelines

4.0 RESPONSIBILITIES

- 4.1 Managers are responsible for the PDRs of their staff and for carrying out the PDR as described in this policy and processes including Gateway. Managers are also responsible for making sure each individual has interim review meetings. The consequences of not complying with this policy may involve disciplinary action.
- 4.2 Each individual member of staff is responsible for actively taking part in the PDR process.
- 4.3 The Human Resources Directorate is responsible for monitoring the application of this policy and ensuring consistency of practice across the Trust

5.0 MONITORING AND MEASURES

- 5.1 The PDR process and outcomes will be monitored in order to facilitate:
- Individual staff to work towards, and maintaining the full KSF outline, increasing motivation and developing careers
 - Managers to use the knowledge to support individual development and to achieve Trust objectives
 - The organisation in aligning investment in learning and development with service requirements
 - Equity and fairness for staff across the organisation.

All the above will in turn influence patients and carer's experiences of the services received from OBMH.

- 5.2 Employers and staff side representatives will monitor decisions on pay progression to ensure that there is no discrimination or bias in relation to race or ethnicity, gender, sexual orientation, disability, religion, age or trade union membership, or pattern of employment, e.g. part-time, flexible and night workers.

Reference:

West, M.A., Borrill, C., Dawson, J., Scully, J., Carter, M., Anelay, S., Patterson, M., Waring, J., 2002, *The link between the management of employees and patient mortality in acute hospitals*, [International Journal of Human Resource Management](#), Vol 3. 2002

GLOSSARY OF TERMS**Personal Development Review (PDR)**

A joint review between the individual and their line manager (or senior team member with delegated supervisory responsibility) of the individual's work against the requirements of their post.

Personal Development Plan (PDP)

The outcome of the planning stage of the personal development review process. It focuses on the knowledge and skills needed to apply to the job.

Knowledge and Skill Framework (KSF):

A framework for managers and staff in the NHS to map the knowledge and skills required for a role. The Department of Health have published detailed guidance on KSF which is available on the website at:

www.dh.gov.uk/policyandguidance/humanresourcesandtraining/modernisingp/ay/agendaforchange/fs/en

KSF Outline

A combination of the 6 Core Dimensions and the appropriate Specific Dimensions set at levels appropriate for the post. There will be a subset and a full outline set for every post. There is an approval process to ensure consistency across the Trust and appropriate selection of levels and dimensions.

KSF Subset

The minimum knowledge and skills required to do the job safely. Training needs should be reflected in the Personal Development Plan. The individual will need to demonstrate that he/she can meet these 12 months after starting in the post, at the foundation gateway. The subset outline needs to be achieved within the first 12 months of appointment into a new post.

Foundation Gateway

This is the first assessment on the pay band where the KSF is linked to pay progression. The individual must meet the minimum knowledge and skills as defined in the subset outline in order to pass through the gateway.

Second Gateway

The second assessment is a fixed point on the pay band where the KSF is linked to pay progression. This varies depending on the pay band; it is 1, 2 or 3 incremental points before the top of the pay band as determined within the

National Agreement. The individual must meet the knowledge and skills as defined in the full outline in order to pass through the gateway.

Honoured Gateway

If an individual has already completed a Gateway assessment for a band and changed posts within the same band the Gateway does not have to be completed again. For that individual to have their Gateway assessment honoured they must provide their manager with evidence of the previous assessment and achievement. This can be from any other NHS Trust.



