

# Discipline and Grievance Policy Standard

## CAG/STAN/D4

**Issue Date:**

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1<sup>st</sup> January 2006

**Authority:**

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Chief Executive, Serco Group

**Applicability:**

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Serco Group covering all business divisions, operating companies and business units throughout the world

**Executive Summary**

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Serco is committed to promoting orderly employment relations as well as fairness and consistency in the treatment of individuals. This Policy Standard sets out the minimum requirements for handling matters of discipline and grievances at work.

Disciplinary and grievance procedures are to be in writing, appropriately communicated, monitored and reported on. All incidents are to be recorded.

# I Introduction

This Policy Standard sets out the minimum requirements for handling matters of discipline and grievances at work. It details the minimum level of achievement necessary to meet Serco's commitment to its people as detailed in the Serco Management System. Specifically it addresses the expectation that disciplinary action and staff grievances are reported, recorded and responded to in accordance with defined procedures.

## I.1 Definitions

Disciplinary issues arise when problems of conduct or capability are identified and management seeks to address them through well-recognised procedures.

In contrast, grievances are raised by individuals bringing to management's attention concerns or complaints about their working environment, terms and conditions and work place relationships and management seeks to address them through well-recognised procedures.

# 2 Objective and Commitment

Serco is committed to promoting orderly employment relations as well as fairness and consistency in the treatment of individuals. An important aspect of our desire to maintain the efficacy of our values is the procedures and processes we have in place to deal with legitimate matters of discipline and grievances at work.

Serco recognises that the behaviour of all its employees must meet the same high standards. Serco upholds its reputation by acting responsibly and by respecting the laws and regulations, traditions and cultures of the countries within which it operates.

# 3 Principles and Requirements

## 3.1 Disciplinary procedures

Disciplinary procedures will not be viewed primarily as a means of imposing sanctions. Rather they will be seen as a way of helping and encouraging improvement amongst employees whose conduct or standard of work is unsatisfactory.

When applying Company disciplinary procedures Serco managers will have regard to the requirements of natural justice. This means that employees should be informed in advance of any disciplinary hearing of the allegations that are being made against them together with the supporting evidence and be given the opportunity of challenging the allegations and the evidence before decisions are reached.

Employees will also be given the right of appeal against any decisions taken.

Serco disciplinary procedures will:

- be in writing

- specify to whom they apply
- be non-discriminatory
- provide for matters to be dealt with without undue delay
- provide for proceedings, witness statements and records to be kept confidential
- indicate the disciplinary actions that may be taken
- specify the levels of management that have the authority to take various forms of disciplinary action
- provide for employees to be informed of the complaints against them and where possible all relevant evidence before any hearing
- provide employees with the right to be accompanied
- ensure that, except for gross misconduct, no employee is dismissed for a first breach of discipline
- ensure that disciplinary action is not taken until the case has been carefully investigated
- ensure that employees are given an explanation for any penalty imposed
- provide a right to appeal – normally to a more senior manager – and specify the procedure to be followed.

## 3.2 Grievance Procedures

It is in everyone's best interests to ensure that employees' grievances are dealt with quickly and fairly and at the lowest level possible within the business at which the matter can be resolved.

Serco Grievance procedures will be simple, set down in writing and timely in operation. They will also provide for grievance proceedings and records to be kept confidential.

Serco managers recognise that it is good practice for individuals to be accompanied at grievance hearings if the person raising a grievance so chooses.

Most routine complaints and grievances are best resolved informally in discussion with the employees immediate line manager.

Where a grievance cannot be resolved informally it will be dealt with under the formal grievance procedure. The number of stages contained in the procedure will depend on the size of the organisation, its management structure and the resources available.

Serco grievance procedures will:

- be in writing
- specify to whom they apply
- be non-discriminatory

- provide for matters to be dealt with without undue delay
- in circumstances where the grievance is against the immediate line manager provide for the matter to be raised with a more senior manager
- provide for proceedings, witness statements and records to be kept confidential
- provide the right for an employee raising a grievance to be accompanied
- provide for the outcome of a formal grievance to be notified to the employee raising the grievance in writing
- in circumstances where a grievance may apply to more than one person and where a trade union is recognised it may be appropriate for the problem to be resolved through collective agreements between the trade union(s) and local management
- provide a right to appeal – normally to a more senior manager – and specify the procedure to be followed.

In order for discipline and grievance procedures to be effective it is essential that all employees are aware of them and understand them. All Serco supervisors, managers and employee representatives will be trained in their use.

Special allowance will be made for individuals whose first language is not that of the country in which they are employed or who have a visual impairment or some other disability.

### 3.3 Records

Records will be kept detailing the nature of disciplinary and grievance proceedings, management's response, and any action taken and the reasons for it. These records will be kept confidential in accordance with any relevant statutory requirements.

Copies of any meeting records should be given to the individual concerned although in certain circumstances some information may be withheld, for example to protect a witness.

## 4 Responsibility and Authority

This policy standard is issued under the authority of the Chief Executive, Serco Group plc. Responsibility for implementation of this policy standard is set out below.

- Responsibility for the achievement of this policy standard rests with the Executive Team.
- Divisional Chief Executives are responsible for implementing the policy standard, monitoring its implementation in the everyday activities of their division and report to their divisional board.
- Managers are responsible for implementing the policy standard, monitoring its implementation in the everyday activities of their operations and report to their contract board.

- The Group Human Resources department is responsible for reviewing the policy standard and ensuring that it is kept up to date with changes in legislation. It is also responsible for the development of guidance and training on the implementation of the policy standard and for providing appropriate reports to the Serco Group board.

## 5 Evidence of Compliance

To demonstrate compliance with this Policy Standard, the following documentation is to be available for audit:

- Serco Group plc
  - Discipline and Grievance procedures Policy Standard (this document)
  - Discipline and Grievance procedures
  - related policy statements and procedures
  - investigation reports
- Divisions/operating companies
  - Procedures
  - staff familiarisation with discipline and grievance procedures
- Business units/operating contracts
  - staff familiarisation with discipline and grievance procedures

## 6 Guidance

The following documentation should be read in conjunction with this Policy Standard:

- Ethics Policy Standard (CAG/Stan/AZ1)
- Whistle-Blowing Policy Standard (CAG/Stan/D2)

Further guidance material is available on the Serco Human Resources and Corporate Assurance areas on the Our World intranet.