

Chief Executive Performance Appraisal Process Appendix A

Introduction

The aims and objectives for the post of Chief Executive are set out in the job description and via the Mayor and Group Leaders as part of the recruitment process. These aims and objectives are the basis for the ongoing performance management of the Chief Executive.

Annual Performance Appraisal¹

Introduction

The JNC Chief Executive Conditions of Service include Joint Guidance on Appraisal of the Chief Executive and this process is based on that guidance.

Scope

This process applies to the Chief Executive only.

The Appraisal Cycle²

Appraisals should take place on a predetermined date (normally in April), at least annually backed up by monitoring meetings on a regular basis at which targets can be reviewed for continuing relevance.

In addition to the annual review, there will be a 6 month review meeting to consider performance against objectives and targets.

A formal system of appraisal should not prevent the continuous review of progress and performance.

Responsibility for Appraisal³

The responsibility for appraising the Chief Executive sits with senior elected members. It is a contractual obligation on the part of both the Chief Executive and the Council to engage in a regular process of appraisal.

The appraisal will be conducted by the Mayor and Group Leaders, with the Chair of the HR Committee also attending. The Mayor will be the Chair of the group, who will form a collective view.

Those conducting the appraisal should bear in mind at all times that the Chief Executive is employed by the Council as a whole, not the controlling group/Mayor, and is therefore required to serve all of the Council.

¹ Council's Performance Development Review Scheme/JNC Conditions

² Best Practice/JNC Conditions

³ JNC Conditions

Members carrying out the appraisal should draw on information from their group and feed back to them, so that they draw on and inform the wider views of Members.

In advance of the performance appraisal, the parties that will form the appraisal panel will have a chance to submit any proposed amended/additional aims and objectives for the Chief Executive to be considered as part of the performance appraisal.

Aims of the Appraisal⁴

The Chief Executive's position in the Council is unique. In one sense their objective is to deliver the corporate priorities set by members. However, it is important that personal objectives are also set for the Chief Executive.

The aims of the appraisal are: -

1. To identify and clarify the key objectives, priorities and targets of the Council and appropriate timescales for their achievement over the next 12 months
2. Agree what the Chief Executive should personally achieve over the next 12 months and identify required standards of performance, in order to deliver the Council's key objectives, priorities and targets. Wherever possible standards of performance should be expressed in ways which can be monitored objectively
3. Discuss positive achievements over the past 12 months and identify reasons for good performance
4. Discuss instances over the past 12 months where targets have not been met, identifying the factors preventing the achievement of agreed goals
5. Discuss developmental requirements. The Chief Executive will have strengths and weaknesses and the parties should identify the professional development necessary to equip the Chief Executive with the requisite skills to meet the Council's objectives. The parties should be proactive and anticipate future developmental needs in the context of the Council's changing priorities. This discussion could lead to the design of a formal programme of continuous professional development (CPD). Equally this discussion may lead to agreement on changes to the working relationship between leading members and the Chief Executive. It should not be assumed that it is only the Chief Executive who may need to adjust his/her approach to the working relationship

Appraisals should be set in the context of the Council's objectives, priorities and targets, generally expressed in the Community and Corporate plans. Appraisal targets when taken as a whole should be related to agreed targets for the Council as a whole.

⁴ JNC Conditions

Key Elements of the Appraisal Process⁵

1. Continuous two-way monitoring of performance against objectives
2. Preparation for an appraisal interview
3. An appraisal interview where recent and current performance, future objectives and development needs are discussed
4. Agreement should be reached on action required from either party to ensure required performance is achievable
5. The process of informal discussion regarding performance should continue

Conducting the Appraisal⁶

1. Both parties should be well informed and prepared for the interview
2. The process should be two-way
3. The interview should be free from interruptions and notes should be taken when necessary
4. The parties should concentrate as far as possible on established facts rather than unsubstantiated opinions
5. Targets which are realistic and capable of being monitored should be agreed
6. Any agreed development plans should be implemented within the agreed timescale
7. The Chief Executive should be given a reasonable opportunity to correct any shortfalls in performance
8. A date for the next review should be agreed

Preparation for the Appraisal⁷

In advance of the review the Chief Executive should review their job description and any previous objectives; and against the framework set out below, prepare a written response or presentation (to last no longer than 45 minutes) which sets out their performance against each criteria.

Members carrying out the appraisal should, in preparation for the appraisal, draw on information from their group, so that they draw on and are informed by the wider views of Members.

Performance Framework⁸

The appraisal should consider the performance of the Chief Executive in relation to the following.

Community Plan themes

Strategic Plan

⁵ JNC Conditions

⁶ JNC Conditions

⁷ Research

⁸ Research/Best Practice

- One Tower Hamlets
- Mayoral Priorities

When considering performance against the above criteria, the following should be considered: -

- Have relevant objectives been met? Were they realistic?
- What went well?
- What didn't go so well/could be improved upon?
- Any other feedback points

Consideration should also be given to the Chief Executive's leadership skills in relation to: -

- Organisational capacity for excellent performance
- Partnership working across local partnerships
- Civic engagement
- Personal, i.e. leading by example

Future objectives should be agreed and a personal development plan (PDP) should be agreed.

Appraisal Outcome⁹

The awarding of increments within the Chief Executive pay scale is dependent on a successful performance appraisal.

Following the appraisal, the Mayor and Group Leaders, with the Chair of the HR Committee will assess the Chief Executive's performance against the defined performance measures.

Where targets have not been achieved, consideration needs to be given to the reason for what may appear to be lack of success. This includes consideration of the circumstances of the past year and forming a judgement as to overall performance. Measuring achievement of core leadership skills must be an integral part of this decision.

Where overall performance has fallen short of that which might normally be expected at this level, specific shortcomings and evidence of missed agreed targets should be identified. This will result in no incremental progression.

Where overall performance has been consistent with that which might normally be expected at this level, generally all targets have been met and core leadership skills demonstrated then this will result in progression of one increment.

Where exceptional performance can be demonstrated both in terms of corporate contribution and achievement of specific responsibilities of the post

⁹ Research/Best Practice/Current Practice

two increments can be awarded. The award of 2 increments will be exceptional.

Progression Arrangements¹⁰

Increments apply from 1st April, although the PDR process may not be completed until June. Retrospective payment may therefore apply.

The Service Head, Human Resources and Workforce Development, will confirm outcomes in writing and arrange changes to pay accordingly.

Acceptable Range¹¹

When deciding whether objectives/targets have been met, consideration should be given to whether they remained realistic through the year and to what the acceptable range is for successful performance. For example, if a target is to build 5000 affordable homes in the borough, it might be considered that an acceptable range for successful performance is within 10% of the target.

External Assistance¹²

External assistance in facilitating the appraisal process will be sought.

External assistance may take the form of an external organisation directly participating in the process for which a fee may be requested to cover staff time or the recommendation of, for example, a suitably experienced recently retired senior officer or other independent individual.

The external assistance must have the agreement of both sides and selection of who should provide the external assistance will be made by the Mayor with the Chief Executive.

Disputes¹³

Any disputes, in terms of the objectives proposed or the assessment of performance can be referred to an appropriate external organisation (i.e. the Local Government Association).

Other Matters¹⁴

The content of appraisal interviews should be treated as confidential to the participants. However, it should be reported to the Council's HR Committee that an appraisal interview has taken place [and that increments have been awarded].

¹⁰ Current Practice

¹¹ Research/Best Practice

¹² JNC Conditions

¹³ Best Practice

¹⁴ JNC Conditions

The agreed aims and objectives of the Chief Executive should be circulated as appropriate to Council and Elected Members.

The Chief Executive's aims and objectives should cascade down the organisation to inform the aims and objectives of Corporate Directors, Service Heads and so on.

This may be useful in acting as a reminder that the Chief Executive and Members need to ensure that chief officers are in turn appraised.

It should, however, be noted that the process for appraising the Chief Executive is different to the process to be used for other staff. There is a fundamental difference between elected members appraising the Chief Executive and managers appraising subordinates. The principles, nevertheless, are the same.

Best Practice

The footnotes referencing best practice are based on benchmarking of Chief Executive performance appraisal processes of a number of other local authorities, both inside (e.g. Southwark, Lewisham) and outside (e.g. Brighton, Bedfordshire) London.